

**VISA® CREDIT CARD DISCLOSURE**

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 will be assessed for any ATM authorized cash advance.

**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 24 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. If this Note is placed in the hands of an attorney for collection or if it is collected through any legal proceedings at law or in equity or in bankruptcy, receivership or other court proceedings, the Debtor, jointly and severally promises to pay all costs and expenses of collection.

**5. Liability for Unauthorized Use-Lost/Stolen Card Notification.** You may not be liable for unauthorized use that occurs, if you notify the Credit Union immediately of the loss, theft, or possible unauthorized use. Your liability will not exceed \$50. The telephone number to call is (225) 292-8910 or (800) 375-2760, followed in writing to Formation Credit Union, P.O. Box 15745, Baton Rouge, LA 70895. Also, you agree to cooperate in determining the facts, circumstances, and other pertinent information relating to any lost, theft, or possible unauthorized use of your credit card.

**6. Security Interest – Statutory Lien.** 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. Security Interest – UCC.** You grant the Credit Union a common law security interest, and purchase money security interest under the Louisiana Uniform Commercial Code in any goods purchased through your VISA® Credit Card Account. If you default, we will have the right to recover any of these goods for which payment has not been made.

**8. Finance Charges.** For a VISA® card, each advance or purchase is a non-variable rate loan in that the daily periodic rate and the **ANNUAL PERCENTAGE RATE** will not vary while you maintain an outstanding balance on your account and you are not in default. The **ANNUAL PERCENTAGE RATE** you receive is determined based on your creditworthiness and will be disclosed to you on the attached Account Opening Disclosure.

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 25 day 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 25 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 (or Overdraft Protection 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. A cash advance fee will be assessed for any ATM authorized cash advance.

**9. 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 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 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 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 \$20.00 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 \$20.00, 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. 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.

**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.** Your payment must be received by the due date to be considered on time. 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. 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. **Annual Fees:** There is no annual fee for the VISA® Classic and VISA® Gold Card. Annual Fees may apply to other type of VISA® accounts as set forth in the Credit Union Fee Schedule. **Cash Advance Fee:** 2% of the amount financed will be assessed. Interest will begin to accrue immediately. **Card Replacement Fee: \$10** Lost/Damaged, **\$20** Cancel and reorder card per member request.

**13. 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 a variable APR as a result of the operation of an index;
- An increase in an APR due to the completion of a workout arrangement or failure to comply with a workout arrangement; or
- 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.

**14. New Accounts.** 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.

**15. 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.

**16. 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.

**17. 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 24 of this Agreement also applies to termination of the Account.

**18. Credit Information.** You authorize the Credit Union to investigate your credit standing when opening or 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.

**19. 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 sixty days.

**20. 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.

**21. Foreign Transaction Currency Conversion.** If you effect a transaction with your VISA® Card or VISA® Check 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 1% 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.

**22. 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 (unless a local law states that you do not have to make such an attempt), and (b) your purchase cost more than \$50 and was made in your home state or within 100 miles of your home. These limits do not apply if we own or operate the merchant or, if we mailed you the advertisement for the services or product purchased.

**23. 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.

**24. 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 as to all of you.

**25. 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.

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

**27. Statements and Other Notices.** The Credit Union will send you a monthly billing statement whenever there is activity on your account. Statements will be sent to you no less than 21 days before a payment is due. 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. You promise to 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. Your monthly statement will show an itemized list of current charges (purchases and cash advances) and Convenience Check transactions to your account, your new balance, any Finance Charges, the minimum payment due, and the payment due date. In addition, it will show your current credit limit, payments and credits, a summary showing your purchases and cash advances, the merchant, electronic terminal or financial institution at which transactions were made, as well as other information concerning your account. Sales, Cash Advance, Credit or other slips cannot be returned with any statement. You will retain a copy of such slip furnished at the time of the transaction in order to verify your monthly statement. Contact us at (800) 375-2760 with any questions.

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

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

**30. VISA® Overdraft Protection.** If you qualify for VISA® Overdraft protection, you may designate any share draft account(s) at the Credit Union to be advanced cash from your VISA® account so that an overdraft will not occur with the designated account(s). Any such funds advanced on your VISA® account to prevent an overdraft in your designated account(s) will be considered a Cash Advance and become due immediately. Each person designated as an authorized signer on your designated share draft account is considered to be authorized under your VISA® account for purposes of any such Cash Advances issued under this VISA® Agreement to prevent an overdraft in the designated account(s).

**31. Pledge of Shares & Savings.** You hereby give the Credit Union a specific pledge of shares and your pledged shares will secure your VISA® Limit 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.

\_\_\_\_\_  
Applicant Signature

\_\_\_\_\_  
Co-Applicant Signature

\_\_\_\_\_  
Date

**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 detach this Agreement from the application and retain it for your records.

**33. Business Days.** Our business days are Monday – Friday, excluding holidays. All transactions initiated after 4:30 pm are considered the next business day's transactions.

**34. 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.

#### **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 Think You Find A Mistake On Your Statement**

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

In your letter, give us the following information:

- **Account information:** Your name and account number.
- **Dollar amount:** The dollar amount of the suspected error.
- **Description of Problem:** 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 Formation Credit Union, P.O. Box 15745, Baton Rouge, LA 70895-5745

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.

| Interest Rates and Interest Charges                                |  |
|--|--|
| Annual Percentage Rate (APR) for Purchases                         | %  |
| APR for Balance Transfers  | %  |
| APR for Cash Advances  | %  |
| Paying Interest  | Your due date is at least 25 days after the close of each billing cycle. We will not charge you any interest on purchases if you pay your entire balance by the due date each month. We will begin charging interest on cash advances and balance transfers on the transaction date. |
| Minimum Interest Charge  | If you are charged interest, there is no minimum interest charge.  |
| For Credit Card Tips from the Consumer Financial Protection Bureau | <b>To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at: <a href="http://www.consumerfinance.gov/learnmore">www.consumerfinance.gov/learnmore</a></b>                                  |

| Fees                    |  |
|-------------------------|--|
| Annual Fee              | None   |
| Transaction Fees        |  |
| • Balance Transfer      | None   |
| • Cash Advance          | 2% of Amount Advanced                            |
| • Foreign Transaction   | 1% of each currency transaction in U.S. dollars. |
| Penalty Fees            |  |
| • Late Payment          | Up to \$25                                       |
| • Over-the-Credit Limit | None   |

**How we will calculate your balance:** We use the method called “average daily balance (including new purchases).”

**Billing Rights:** Information on your rights to dispute transactions and how to exercise those rights is provided in your account agreement.

#### Other Disclosures

Late Payment: **\$25** or the amount of the required minimum payment, whichever is less, if we do not receive your payment by the due date listed on your billing statement.

Card Replacement Fee: **\$10** Lost/Damaged, **\$20** Cancel and reorder card per member request.

**Rates, fees, and terms may change:** We may change the rates, fees, and terms of your account at any time for any reason. These reasons may be based on information in your credit report, such as your failure to make payments to other creditors when due, amounts owed to other creditors, the number of credit accounts outstanding or the number of credit inquiries. These reasons may also include competitive or market-related factors. If we make a change for any of these reasons, you will receive a 45-day advance notice in writing and a right to opt out in accordance with applicable law.