



Municipal Credit Union

**VISA GOLD CARDHOLDER AGREEMENT AND DISCLOSURE STATEMENT
RETAIL INSTALLMENT CREDIT AGREEMENT**

1. **Definitions:** In this Agreement the words “we”, “us” and “our” mean Municipal Credit Union, 22 Cortlandt Street, New York, New York 10007. The words “you”, “your” and “cardholder” mean anyone in whose name a VISA Gold Card is issued.

Annual Percentage Rate: The cost of your credit as a yearly rate.

Finance Charge: The dollar amount the credit will cost you.

2. **Purchases:** Your Card can be used to buy or lease goods or buy services any place that honors VISA. The debt that results from a Purchase will be transferred to us.

Balance Transfers: In our discretion, we may allow you to transfer balances from other accounts or loans from other credit card companies, other lenders or other balance transfers we may allow using procedures and forms we provide. Those uses are “balance transfers”. Balance transfers are treated as Purchases and so the amounts transferred will be applied to your Purchases Account. Generally, you are not authorized to transfer balances to this Account from other accounts or loans with us. If you request a balance transfer but do not have enough available credit, we may transfer only a part of the requested amount.

3. **Advances:** Your Card can be used to obtain an advance (loan) at any of our branch offices, at any financial institution which honors VISA or any other authorized location. If you have received a personal identification number (PIN), you may use your Card and PIN to obtain advances at any ATM that accepts your Card. Except as otherwise provided in this Agreement, such advances shall be treated as Cash Advances under this Agreement.

4. **Convenience Checks:** Upon request, and from time to time, we may send you convenience checks for use in borrowing under this Agreement. All convenience checks you use will be treated as cash advances under this Agreement unless we advise you otherwise. You may not use the convenience checks to make payments on any MCU credit card account. You understand that if you use a convenience check to make a purchase and you have a dispute with that purchase, the dispute is not covered by the Billing Rights Summary below. You understand that the convenience checks will not be returned to you.

5. **Purchases Treated as Cash Advances:** We consider certain transactions to be the equivalent of cash advances, and we reserve the right to treat them as cash advances under this Agreement. Those transactions include using the Card or Account to purchase wire transfer money orders, money orders that are not issued by a financial institution or are not in U.S. currency, travelers checks, casino gaming chips, lottery tickets, off-track betting, wagers at racetracks, and tax payments.

6. **Maximum Credit Limit:** We will from time to time notify you of the maximum amount of credit which we will extend you under this Agreement. A portion of your credit limit, called the cash advance limit, will be available for cash advances. We may increase or decrease the credit limit or cash advance limit at anytime. The cash advance limit will be shown on your

monthly statement. We will not be responsible for failing to extend credit to you under this Agreement. You agree not to allow the balance on your account to go over the maximum credit limit. We will not extend credit if:

- The extension of credit would cause the balance of your account to exceed your credit limit or if the balance of your account already exceeds your credit limit, or
- Anything has happened that allows us to declare your account in default and therefore immediately due, or
- Your Card has been canceled or suspended, or
- Your Card has expired.

If we do extend credit under any of the conditions above, it will be covered by the terms and provisions of this Agreement. We may delay extending credit if you have previously sent us a payment check or other negotiable instrument which has been returned as unpaid for any reason.

7. **Monthly Billing Statement:** If you have a balance in your account, we will send you a monthly billing statement. It will show, among other things, the total amount of your Purchases and Cash Advances Accounts, the periodic interest charges and other fees and charges, the minimum payment due, and the date the payment is due.
- 8a. **Periodic Interest Charge on Purchases** –A periodic interest charge (finance charge) will be imposed on each Purchase from the date the Purchase is posted to your account until the date it is paid in full, with the following exceptions: You may avoid periodic interest charges on Purchases during any billing period if: (1) the opening balance on Purchases for that billing period was zero (0); or (2) the total of payments and credits posted during the billing period equals or exceeds the opening balance for that billing period.

We figure the Periodic Interest Charge on Purchases by applying the periodic rate to the “average daily balance” of your Purchases Account (including current transactions). To get the “average daily balance” we take the beginning balance of your Purchases Account each day, add any new Purchases and subtract any payments or credits applied to Purchases that day, unpaid periodic interest charges and other fees and charges. This gives us the daily balance. Then, we add up all the daily balances for the billing period and divide the total by the number of days in the billing period. This gives us the “average daily balance” which is shown on your statement as the Balance Subject to Interest Rate for Purchases. Finally, we multiply the average daily balance by the daily periodic rate and the number of days in the billing period.

The daily periodic rate and corresponding annual percentage rate may vary (increase or decrease) quarterly based upon the movement in the highest prime rate as published by the *Wall Street Journal* on March 15th, June 15th, September 15th, and December 15th of each year (“index date”). If the *Wall Street Journal* is not published on any of these dates, the index will be the highest prime rate published on the first publication date immediately following the index date. To obtain the annual percentage rate we add 6.9% to the published index. To obtain the daily periodic rate we divide the annual percentage rate by 365. A change in the daily periodic rate and corresponding annual percentage rate resulting from a change in the index on the index dates stated above will be effective as of the beginning of your billing period in the May, August, November or February next following the index date. If the annual percentage rate increases, you will pay a higher interest charge and may pay a higher minimum payment. The daily periodic rate and corresponding annual percentage rate

in effect within 30 days of the date this Agreement was sent to you are disclosed in the accompanying Supplement.

8b. Periodic Interest Charge on Cash Advances: A periodic interest charge (finance charge) will be imposed on each Cash Advance from the day the Cash Advance is obtained until the date it is paid in full. We figure the Periodic Interest Charge on Cash Advances by applying the periodic rate to the “average daily balance” of your Cash Advances Account (including current transactions). To get the “average daily balance” we take the beginning balance of your Cash Advances Account each day, add any new Cash Advances, and subtract any payments or credits applied to Cash Advances that day, unpaid periodic interest charges and other fees and charges. This gives us the daily balance. Then, we add up all the daily balances for the billing period and divide the total by the number of days in the billing period. This gives us the “average daily balance” which is shown on your statement as the Balance Subject to Interest Rate for Cash Advances. Finally, we multiply the average daily balance by the daily periodic rate of .04904% (corresponding *Annual Percentage Rate* of **17.90%**) and the number of days in the billing period.

8c. Minimum Interest Charge : There will be a minimum interest charge (finance charge) of fifty cents (\$.50) for each billing period in which a periodic interest charge is payable on your Purchases Account.

8d. Cash Advance Transaction Fee: You will pay a transaction fee (finance charge) each time you obtain a Cash Advance. The transaction fee will be 3% of the amount advanced but not less than \$2.00 or more than \$30.00.

8e. Foreign Transactions/Fees: A 1% International Transaction Fee (finance charge) will be assessed on all transactions where the merchant is located outside the U.S. (even if the currency used is U.S. dollars). The converted transaction amount 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 a 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.

9. Late Payment Fee: We will charge you a late fee any time a required minimum payment is not paid in full on or before the date it is due. The amount of this late fee will be the lesser of (a) \$25.00, or (b) the amount of the required minimum payment which was due immediately prior to the assessment of this fee.

10. Returned Item Fee: We will charge you a returned item fee whenever your payment is returned to us for insufficient funds or any other reason. The amount of this fee will be the lesser of (a) \$20.00, or (b) the amount of the required minimum payment due immediately prior to the date the payment is returned. If both a late payment fee and a returned item fee could be charged in any one billing cycle, only the fee eligible to be assessed first will be charged (and not both fees).

11. **Payment:** You promise to pay us all the amounts borrowed under this Agreement and any other amounts which you may owe us pursuant to this Agreement.

At any time and without penalty, you may repay all or part of what you owe. You must, however, make at least the minimum payment each month. This minimum payment will be the total of: (1) the greater of [a] 1/60th of the outstanding principal Cash Advances and Purchases, or [b] \$20.00, or the balance due, whatever is less; plus (2) currently calculated periodic interest charges, cash advance transaction fees, other fees and charges incurred during the billing period, and insurance premium charges; plus (3) any minimum payment amount which is past due.

Paying more than the minimum payment for your account for any billing period will not relieve you of the obligation to pay any further minimum payment for your account.

12. **Payment Allocation:** Your payment will be applied in the following order to any of these costs you owe: (1) collection costs, (2) fees and other card charges, (3) late charges, periodic interest charges and insurance premiums in manner and order Credit Union elects, (4) unpaid principal balance of accrued Purchases and Cash Advances.
13. **Insurance:** Credit life insurance and/or credit disability insurance may be made available to you by the Credit Union. Insurance coverage is not required by us as a condition for the extension of credit. If you should elect and qualify for the same, the coverage will be up to the minimum amount of credit extended to you. If you die, the insurance proceeds will be used to pay off your outstanding debt on the account. If you wish to have this coverage, you will give us a dated and signed written statement that you desire to obtain insurance coverage before we make it available. A certificate describing the coverage will be mailed to you 30 days after coverage begins. The premiums for this insurance will be due monthly and will be added to your minimum payment each billing period.
14. **Default:** You will be in default if you fail to make a minimum payment when due. You will be in default if you break any promise you made under this Agreement, or under any other written agreement made in connection with use of the card. You will also be in default if you become insolvent, declare bankruptcy or die. When you are in default, the Credit Union may demand immediate payment of the entire amount you owe under this Agreement without giving you advance notice.
- Also, we may prohibit any further transactions on your Account, cancel the Cards, and revoke any privileges attaching to the Cards. You agree to surrender all Cards to us or our designee upon demand. If you default, we, at our option, may refuse to pay any of your convenience checks that are presented to us. If we decide to honor such checks, you will owe us the amount of such checks under the terms of this Agreement.
15. **No Notice or Loss of Rights:** We do not have to notify you if any amount owing under this Agreement is not paid by the day it becomes due. We can do any of the following without notifying you or losing any right against you: accept a check or money order marked "paid in full" or with similar language, as a payment under this Agreement, or give additional time for payment of any amount owing under this Agreement, regardless of the length of any additional time we previously gave, or exercise, give up, fail to exercise or delay exercising any right against any person.
16. **Collection Costs:** If you are in default, you agree to pay actual costs of collection. This may include reasonable attorney fees not to exceed 20% of the amount due.

17. **Amendment:** We can change the terms of this Agreement, including the periodic interest charge and the annual percentage rate, at any time. Except where limited by applicable law, the new terms will apply both to new purchases and cash advances and to the full outstanding balance of your account as of the day of the change. In accordance with applicable law, we will notify you of any increased charge or change by writing to you at the most recent address shown for you on our records.
18. **Statement, Notices and Change of Address:** Any statement for your account or any notice concerning your account or this Agreement we send you will be sent to your current mailing address as shown in our records concerning your account. We can send it by regular mail. If your mailing address changes, you must promptly notify us in writing of the new address. Any notice you send us must be sent to: PSCU-MCU, P.O. Box 31112, Tampa, Florida 33631-3112.
19. **No Assignment or Transfer:** You cannot assign or transfer your rights under this Agreement. Any assignment or transfer by you will be ineffective.
20. **VISA Cards:** The VISA Gold Card is a part of this Agreement and must be signed immediately after you have received it. Each VISA Gold Card issued for use with your account is and will remain our property and must be returned to us if requested to do so. We or anyone acting for us can keep the VISA Gold Card if it is used after your account has been canceled or after we have requested you to return it to us.
21. **Continued Effectiveness:** If any part of this Agreement is determined by a court to be invalid, the rest will remain in effect.
22. **Additional Cardholders, Authorized Users, and Others Using Your Account:** You may authorize others to use your Account. At your request, we may issue one additional Card to you. This additional Card must be issued with the individual name of the authorized user embossed thereon. You promise to pay for all purchases and cash advances made by anyone you authorize to use your Account with or without a Card, whether or not you notify us that he or she will be using the Account and whether or not he or she exceeds any limits imposed by you on his or her use of the Card. If another person has use of your Account and you want to end that person's privilege, you must notify us by writing to us, by calling us, or in person. In order to avoid unauthorized use, you should recover any cards in that person's possession.
23. **Use of the Card:** We are not responsible if anyone refuses to honor this Card or any convenience check or for any failure of an ATM to process a cash advance request. If there is a problem with merchandise or services obtained with this Card, you may have the right not to pay the remaining amount due on such merchandise or services. This right does not, however, apply to merchandise or services obtained with convenience checks or with money from a cash advance. Following this Agreement is an explanation of your rights to dispute billing errors. We will have no responsibility for merchandise or services purchased with this Card.
24. **Unauthorized Use of Card:** You will be liable for all authorized charges to the account including charges obtained by all persons whom you authorize to use the account. You may be liable for the unauthorized use of your MCU VISA Gold Card. You will not be liable for unauthorized use which occurs after you notify us at: PSCU-MCU, P.O. Box 31112, Tampa, Florida 33631-3112, orally or in writing, of the loss, theft or possible unauthorized use.
25. **Important Notice: Do not use your credit card before you read this agreement or if this agreement contains any blank space. You are entitled to a completely filled in copy of this credit agreement.**

26. **Original Application:** You agree to let the Credit Union keep the signed copy of your VISA application to comply with federal and/or state law.
27. **Governing Law/Effective Date:** This Agreement and all matters arising out of or in connection with any credit transaction shall be governed by, and construed in accordance with the laws of the State of New York and the applicable laws of the U.S. This Agreement incorporates by reference all the terms and conditions contained in the accompanying Supplement. This Agreement will become effective as to Cash Advances when you use the Card to take a Cash Advance. This Agreement will become effective as to Purchases when you use the Card, and the sales slip or other document you sign in connection with such use is accepted by us or our representatives at our offices in New York. (This Agreement will not become effective as a result of unauthorized use of the Card for any Purchase which occurs before you first use the Card and after its loss or theft). The Credit Union may terminate this Agreement or cancel your Card at any time. Such termination, or cancellation, however, will not effect your obligation to pay the account balance.
28. **Lost or Stolen Cards:** You must notify us immediately if a Card is lost or stolen or if you believe there has been or is about to be unauthorized use of Card by calling: **(800) 449-7728**
29. **Prohibited Use:** You may not use your MCU VISA Card for any illegal transaction.

Dear Card Member: This is your contract. Please read it and keep it for your records because when you use your Card, you've agreed to the terms in the contract.

Municipal Credit Union

By *Ahmed Campbell*
Ahmed Campbell, Vice President, Loan Operations
P.O. Box 992, Peck Slip Station
New York, New York 10272-0992

Your Billing Rights: Keep this Document for Future Use

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

What To Do If You Find A Mistake On Your Statement

If you think there is an error on your statement, write to us at:

Municipal Credit Union
Customer Service
P.O. Box 31112
Tampa, Florida 33631-3112

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.

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:

Municipal Credit Union
Customer Service
P.O. Box 31112
Tampa, Florida 33631-3112

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.



Municipal Credit Union

SUPPLEMENT TO MUNICIPAL CREDIT UNION VISA GOLD CARDHOLDER AGREEMENT AND DISCLOSURE STATEMENT

Special Introductory Annual Percentage Rate

The interest rate which will apply to purchases and balance transfers during the first six (6) months following the opening of your account is a special introductory rate and is not based on the index and margin which are set forth in the MCU VISA Gold Cardholder Agreement and Disclosure Statement. The special introductory **ANNUAL PERCENTAGE RATE** is **4.9%** which corresponds to a Daily Periodic Rate of .01342%. Beginning in the billing cycle which next follows the expiration of the six (6) month introductory rate period, the variable annual percentage rate described in your MCU VISA Gold Cardholder Agreement and Disclosure Statement will apply to any existing and new purchase and transferred balances. The **ANNUAL PERCENTAGE RATE** which would have applied using the margin and index in effect on September 15, 2011 is **10.15%** which corresponds to a Daily Periodic Rate of .02781%.

Interest Rates and Interest Charges

Annual Percentage Rate (APR) for Purchases and Balance Transfers	4.90% for the first six months. After that, 10.15% . This APR will vary with the market based on the Prime Rate.*
APR for Cash Advances	17.90%
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 and balance transfers if you pay your entire balance by the due date each month. We will begin charging interest on cash advances on the transaction date.
Minimum Interest Charge	If you are charged interest, the charge will be no less than \$.50.
For Credit Card Tips from the Federal Reserve Board	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at http://www.federalreserve.gov/creditcard

Fees

Annual Fee	None
Transaction Fees	
• Cash Advance	Either \$1 or 3% of the amount of each cash advance, whichever is greater (maximum \$30.00).
• Foreign Transaction	1% of each transaction in U.S. dollars.
Penalty Fees	
• Late Payment	Up to \$25
• Returned Payment	Up to \$20

How we will Calculate Your Balance: We use a method called “average daily balance (including new purchases).”

*Variable rates may change quarterly based upon the movement in the highest prime rate as published in the Wall Street Journal on March 15th, June 15th, September 15th and December 15th of each year (the “Prime Rate”). We add 6.90% to the Prime Rate to determine the Purchases/Balance Transfer APR. The Prime Rate as of September 15, 2011 was 3.25%. (Refer to Section 8a. of the Cardholder Agreement for more details.)

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in the Cardholder Agreement.



MUNICIPAL CREDIT UNION VISA GOLD – PRICING INFORMATION

Annual Percentage Rate (APR) for Purchases and Balance Transfers	10.15% . This APR will vary with the market based on the Prime Rate.
APR for Cash Advances	17.90%
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 and balance transfers if you pay your entire balance by the due date each month. We will begin charging interest on cash advances on the transaction date.
Minimum Interest Charge	If you are charged interest, the charge will be no less than \$.50.
For Credit Card Tips from the Federal Reserve Board	To learn more about factors to consider when applying for or using a credit card, visit the website of the Federal Reserve Board at http://www.federalreserve.gov/creditcard

Annual Fee	None
Transaction Fees	
<ul style="list-style-type: none"> • Cash Advance • Foreign Transaction 	<p>Either \$2 or 3% of the amount of each cash advance, whichever is greater (maximum \$30.00).</p> <p>1% of each transaction in U.S. dollars.</p>
Penalty Fees	
<ul style="list-style-type: none"> • Late Payment • Returned Payment 	<p>Up to \$25</p> <p>Up to \$20</p>

How we will Calculate Your Balance: We use a method called “average daily balance (including new purchases).” See *How Do We Calculate the Interest Charge?* below for more details.

Other Things You Should Know

Can We Increase Interest Charges And Fees?

We may increase your interest charges for new transactions and your fees after the first year of the account. We may change any other terms of your account at any time. We will give you notice of any changes as required by law.

How Do We Calculate Variable Rates:

Variable rates may change quarterly based upon the movement in the highest prime rate as published in the Wall Street Journal (the “Prime Rate”) on March 15th, June 15th, September 15th and December 15th of each year (the “index dates”). We add 6.90% to the Prime Rate on each index date to determine the Purchases/Balance Transfers APR. A change in the APR resulting from a change in the index on any of the above index dates will be effective as of the beginning of your billing period in the May, August, November or February next following that index date. The Prime Rate as of September 15, 2011 was 3.25%.

What Are the Daily Periodic Rates Used To Calculate Your Interest?

We determine your daily periodic rate by dividing the corresponding Annual Percentage Rate by 365 and round to the nearest 1/100,000th of 1%. If the daily periodic rates and corresponding Annual Percentage Rates increase, the interest charge will increase and our minimum payment may be greater. See *How Do We Calculate The Interest Charge?* below for more details. Based on the rates set forth in the above table, the daily periodic rate for your Purchases/Balance Transfers APR would be .02781% and the daily periodic rate for your Cash Advances APR would be .04904%.

How Can You Avoid Paying Interest Charges?

Each month you pay your “New Balance” of Purchases in full by the due date, you will have a minimum grace period of 25 days with no interest charge on all new purchases and balance transfers. If you have been paying your Purchases Account in full with no interest charges applied and you do not pay your next bill in full, prorated interest charges will be assessed. There is no grace period on cash advances or on any new transaction on your Purchases Account when there is an unpaid balance from a previous bill.

How Do We Calculate The Interest Charge?

The Interest Charge Calculation Methods applicable to your Purchases and Cash Advances Accounts are as follows:

Purchases Account – The Interest Charge for a billing cycle is computed by applying the applicable periodic rate to the “average daily balance” of your Purchases Account (which includes balance transfers). To get the average daily balance, we take the beginning balance of your Purchases Account each day, add any new purchases, or balance transfers, and subtract any payments, credits, unpaid periodic interest charges and other unpaid fees and charges. 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. Finally, we multiply the average daily balance by the daily periodic rate (the APR divided by 365) and the number of days in the billing period.

Cash Advances Account – The Interest Charge for a billing cycle is computed by applying the applicable periodic rate to the “average daily balance” of your Cash Advances Account. To get the average daily balance, we take the beginning balance of your Cash Advances Account each day, add any new cash advances, and subtract any payments, unpaid periodic interest charges and other unpaid fees and charges. 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. Finally, we multiply the average daily balance by the daily periodic rate (the APR divided by 365) and the number of days in the billing period.