TELCO PLUS CREDIT UNION
423 Gilmer Rd, Longview TX 75604 Gregg County
CREDIT CARD AGREEMENT AND DISCLOSURE STATEMENT FOR YOUR MASTERCARD® ACCOUNT
IMPORTANT DISCLOSURE INFORMATION

Interest Rates and Interest Charges	
Annual Percentage Rate (APR) For Purchases	**6.74% - 18.00%** when you open your Account Your APR will vary with the market based on an index*
Other APRs • APR for Balance Transfer • APR for Cash Advance	 **6.74% - 18.00%** Your APR will vary with the market based on an index* **6.74% - 18.00%** Your APR will vary with the market based on an index*
How to Avoid Paying Interest on Purchases	Your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on purchases if you pay your entire balance by the due date each month.
Method for Computing the Balance for Purchases	Average Daily Balance (including new purchases)
Minimum Interest Charge	None
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
Card Replacement Fee	$5.00 per card
Transaction Fees • Transaction Fee for Purchases • Balance Transfer • Cash Advance • Foreign Transaction	 None None None 1% of transaction amount
Penalty Fees • Late Payment • Returned Payment	 25.00 ** 27.00 per item
* The periodic rate is based on an index (the "Index"), which is the highest Prime Rate as published in the Money Rates section of The Wall Street Journal on the 15th day of the month for the preceding three months plus 6.74%. See also Section 5. Cost of Credit. ** A late fee will be added to your account if you are twenty-five (25) or more days late in making a payment.	

In this Agreement the words "you" and "your" mean each and all of those who agree to be bound by this Agreement; "Card" means the MasterCard credit card and any duplicates, renewals, or substitutions the Credit union issues to you; "Account" means your MasterCard 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 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. 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 MasterCard Cards. In addition, you may obtain cash advances from the Credit Union and from other financial institutions that accept MasterCard Cards, and from some automated teller machines (ATMs). (Not all ATMs accept MasterCard 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. **Convenience Checks.** We may issue checks at our discretion that may be used for any purpose other than making a payment for credit to your Account. By signing such checks, you authorize us to pay the item for the amount indicated and post such amount as a cash advance to your Account. We do not have to pay any item that would cause the outstanding balance in your Account to exceed your credit limit. Charges that apply in connection with the use of Convenience Checks are as follows: Copy of Paid Check $5; Stop Payment on Check $27; Non-Sufficient Funds Check (NSF) $27. Fees will be assessed at the time they are incurred.
4. **Promise To Pay.** You promise to pay us in U.S. dollars for (a) all purchases, cash advances, and balance transfers made by you or anyone whom you authorize to use the Card or Account; (b) **FINANCE CHARGES** and other charges or fees; (c) collection costs and attorney's fees as permitted by applicable law, and any costs incurred in the recovery of the Card; and (d) credit in excess of your credit limit that we may extend to you. At the end of each monthly billing cycle for which you have a balance on your Account, you will be furnished with a periodic statement showing (i) the "Previous Balance" (the outstanding balance in the Account at the beginning of the billing cycle), (ii) the amount of all cash advances, purchases, balance transfers, Late Charges, Annual Fees, **FINANCE CHARGES**, and other charges or fees posted to your

Account during the billing cycle, (iii) the amount of all payments and credits posted to your Account during the billing cycle, and (iv) the "New Balance" which is the sum of (i) and (ii) minus (iii).

You agree to pay on or before the "Payment Due Date" shown on the monthly periodic statement the entire New Balance or a Minimum Payment equal to an amount which is at least 5% of the New Balance or $18, whichever is greater, plus any amount in excess of the credit limit established by us, and/or any past due minimum payments. If the New Balance is $18 or less, you agree to pay it in full. You may make extra payments in advance of the due date without a penalty, and you may repay any funds advanced, credit extended, or amount outstanding at any time without a penalty for early payment. Regardless of the amount of any extra payment during a given month, a monthly payment will be required the following month if a balance remains in your Account.

5. **Cost of Credit.** You will pay a **FINANCE CHARGE** for all advances made against your Account. **FINANCE CHARGES** for cash advances and balance transfers begin to accrue on the date of the advance. New purchases will not incur a **FINANCE CHARGE** on the date they are posted to your Account if you have paid the Account in full by the Payment Due Date shown on your previous monthly statement, or if there was no previous balance. The applicable periodic rate used to compute the **FINANCE CHARGE** is based on an index (the "Index"), which is the highest Prime Rate as published in the Money Rates section of *The Wall Street Journal* on the 15th day of the month for the preceding three months and is subject to change monthly. If the 15th falls on a weekend or a holiday in any given month, then we will use the Prime Rate published on the next business day for that month. Any change in the Index will be effective on the first day of the billing cycle following the date of the change. An increase in the Index will result in an increase in the periodic rate, which in turn, may result in higher payments. The **ANNUAL PERCENTAGE RATE** for any given billing cycle will be the **Index plus 6.74%.** An increase in the Index will result in an increase in the periodic rate which, in turn, may result in higher payments. In any event, the daily periodic rate (and the corresponding **ANNUAL PERCENTAGE RATE**) shall never be greater than 18%.

   The **FINANCE CHARGE** is figured by applying the periodic rate to the "balance subject to **FINANCE CHARGE"** which is the "Average Daily Balance" of your Account, including current transactions. The Average Daily Balance is arrived at by taking the beginning balance of your Account each day and adding any new cash advances, and, unless you pay your Account in full by Payment Due Date shown on your previous monthly statement or there is no previous balance, adding in new purchases and subtracting any payments or credits and unpaid **FINANCE CHARGES.** This gives us the daily balance. The daily balances for the billing cycle are then added together and divided by the number of days in the billing cycle. The result is the Average Daily Balance. The **FINANCE CHARGE** is determined by multiplying the Average Daily Balance by the number of days in the billing cycle and applying the periodic rate to the product.
   No additional **FINANCE CHARGES** will be imposed on new purchases shown on the statement if the New Balance shown on the statement is paid in full on or before the Payment Due Date reflected on your statement. The Payment Due Date is not less than 25 days from the billing cycle closing date shown on your statement.

6. **Other Charges.** The following other charges (fees) will be added to your Account, as applicable:
   a. **Late Payment Fee:** If you are twenty five (25) or more days past due, a late charge of $25.00 will be added to your Account.
   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 $27.00 for each item returned.
   c. **Card Replacement Fee:** You will be charged $5.00 for each replacement card that you request.
   d. **Document Copy Fee:** You will be charged $1.00 for each copy of a sales draft or statement that you request (except when the request is made in connection with a billing error made by the credit union).
   e. **Collection Costs:** You agree to pay all costs of collecting the amount you owe under this Agreement, including court costs and reasonable attorney's fees.

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. YOU SPECIFICALLY GRANT US A CONSENSUAL SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS YOU HAVE WITH US NOW AND IN THE FUTURE TO SECURE REPAYMENT OF CREDIT EXTENSIONS MADE UNDER THIS AGREEMENT. THE GRANTING OF THIS SECURITY INTEREST IS A CONDITION FOR THE ISSUANCE OF ANY CARD WHICH YOU MAY USE, DIRECTLY OR INDIRECTLY, TO OBTAIN EXTENSIONS OF CREDIT UNDER THIS AGREEMENT.** Shares and deposits in an Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security are not subject to the security interest you are giving. Collateral securing other loans with us may also secure payments for your Account under this Agreement.

9. **Default.** You will be in default: (1) if you fail to make any payment on time; (2) if you fail to keep any promises you have made under this or any other agreement with us; (3) if you are the subject of an order of relief under Title 11 of the U.S. Code (Bankruptcy); (4) if anyone tries, by legal process, to take any of your money maintained with us; (5) if you have given us false or inaccurate information in obtaining your Card; or (6) if we reasonably believe that you are unable or unwilling to repay your obligations to us.

10. **Acceleration.** If you are in default, without notice to you we may accelerate your debt and call any amounts you owe immediately due and payable, plus **FINANCE CHARGES** which shall continue to accrue until the entire amount is paid. You expressly waive any right to notice of our intention to accelerate and notice that your debt has been accelerated.

11. **Liability for Unauthorized use-Lost/Stolen Card Notification.** 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 at 423 Gilmer Road, Longview, TX 75604 in writing or telephone us at (903) 753-5588 or (800) 492-7283 Monday through Friday 8:00 a.m. – 5:30 p.m. or Saturday 9:00 a.m. – noon, of the loss, theft, or possible unauthorized use and you meet the following conditions: (1) you have exercised reasonable care with the Card; (2) you have not reported two or more incidents of unauthorized use in the last twelve (12) months; and (3) you have maintained your Account in good standing. The foregoing liability limitation does not apply to ATM cash advance transactions. In any case, your maximum liability for unauthorized use of the Card will not exceed $50 and you will not be liable for any unauthorized use that occurs after you notify us at the address or telephone number above.

12. **Changing or Terminating Your Account.** You may terminate this Agreement, by written notice, as to future advances at any time. We can terminate this Agreement at any time subject to such notice as may be required by applicable law. Termination by either party shall not affect your obligation to repay any payments made for your Account resulting from use of the Card as well as **FINANCE CHARGES** and other related charges. We may change the terms of this Agreement, including the periodic rate, at any time subject to such notice as may be required by applicable law. If you use your Card or Account to make a purchase or cash advance or balance transfer after having been given notice of a

change in terms, you agree that the existing balance in your Account at the time of that use will be subject to the new terms, as shall subsequent uses. If this is a joint Account, Section 19 of this Agreement also applies to termination of the Account.

13. **Credit Investigation.** In conjunction with your application for credit and, if approved, maintenance of your Account, you agree that we have the right to investigate your credit and employment history, to verify your credit references, to request and use credit reports, and to report the way you pay your Account to credit bureaus and other interested parties.
14. **Notification Address For Information Reported To Consumer Reporting Agencies.** We may report the status and payment history of your Account to credit reporting agencies each month. If you believe that the information we have reported is inaccurate or incomplete, please notify us in writing at the address shown above in this Agreement. Please include your name, address, home telephone number and Account number.
15. **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 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.
16. **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.
17. **Foreign Transactions.** If you effect an international transaction with your MasterCard, MasterCard International will convert the charge into a U.S. dollar amount. MasterCard International will use its currency conversion procedure, which is disclosed to institutions that issue MasterCard cards. Currently, the currency conversion rate used by MasterCard International to determine the transaction amount in U.S. dollars for such transactions is generally either a government-mandated exchange rate or a wholesale exchange rate selected by MasterCard International for the applicable currency on the day the transaction is processed, which rate may differ from the applicable rate on the date the transaction occurred or when the transaction is posted to your Account. [We will charge you a 1% Foreign Transaction Fee (.8% for the MasterCard Issuer Cross-border Assessment and .2% for the MasterCard Currency Conversion Assessment) on all international purchase, cash disbursement, and Account credit transactions.]
18. **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 for 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.
19. **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, including applicable fees. Notice to one of you shall constitute notice to all. 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.
20. **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.
21. **No Waiver.** The Credit Union can delay enforcing any of its rights any number of times without losing them.
22. **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.
23. **Final Expression.** This Agreement is the final expression of the terms and conditions of this MasterCard line of credit between you and the Credit Union. This written Agreement may not be contradicted by evidence of any alleged oral agreement.
24. **Receipt Of And Agreement To Terms And Conditions Of Agreement.** By using the Card, you agree to all the terms and conditions and promise to perform all the obligations, requirements, and duties contained in this Agreement, and you acknowledge receipt of a copy of this Agreement.
25. **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.
26. **Additional Provisions.** Each provision of this Agreement must be considered part of the total Agreement and cannot in any way be severed from it. However, if any provision of this Agreement is finally determined to be void or unenforceable under any law, rule, or regulation, all other provisions of this Agreement will remain valid and enforceable. You understand that this Agreement is performable in the county and state of the credit union shown above in this Agreement, and the validity, construction, and enforcement of this Agreement shall be governed by applicable federal law and the laws of the state in which the credit union shown above is primarily located. We do not warrant any merchandise or services purchased by you with the Card. All purchases and cash advances are extended at the option of the merchant or cash-advancing financial institution and we are not responsible for the refusal of any merchant or financial institution to honor your Card. The Card remains our property at all times, and you agree to immediately surrender the Card upon demand. You agree to pay all reasonable costs of collection, including court costs and attorney's fees, and any costs incurred in the recovery of the Card. We can accept late payments or partial payments, or checks or money orders marked "payment in full" without losing any of our rights under this Agreement. We can also delay enforcing any of our rights under this Agreement without losing them. You expressly waive presentment for payment, demand, protest, and notice of protest and dishonor of same. You agree to give us prompt notice of any change in your name, mailing address, telephone number or place of employment.
    You may not use your Card for any illegal transaction. You agree that we may decline to process any transaction which we believe in good faith to be for an illegal purpose. You agree that we will not be liable for declining to process any such transaction. If we do process any transaction which ultimately is determined to have been for an illegal purpose, you agree that you will remain liable to us under this Agreement for any such transaction notwithstanding its illegal nature. You agree that any illegal use of the Card will be deemed an act of default under this Agreement. You further agree to waive any right to take legal action against us for your illegal use of the Card and to indemnify and hold us, and/or MasterCard International, Incorporated harmless from and against any lawsuits, other legal action, or liability that results directly or indirectly from such illegal use.

What to do if there is an error on you statement

NOTICE OF 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 (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.