



VISA® CARDMEMBER AGREEMENT

Definitions: In this Agreement, the words "you" and "your" refer to each person (jointly and severally if more than one) who has applied for the Account and any other person who has agreed to be responsible for the Account. "Card" refers to each Visa Card that is issued on your account. "Account" refers to your VISA credit card line of credit Account with the Credit Union. "We", "Us", "Our", "HFCU" and "Credit Union" refers to Heritage Federal Credit Union.

Using Your Account: You understand that the use of your credit card will constitute acknowledgement of receipt and agreement to the terms of the credit card agreement. You may use your Card or Account to purchase or lease goods or services or pay amounts you owe wherever the Card is honored ("Purchases") or transfer balances from other accounts ("Balance Transfers"). You may also use the Card to obtain cash loans ("Cash Advances") from any financial institution that accepts the Card or from automated teller machines (ATM's), such as VISA ATM Network, that provide access to the VISA system. (Not all ATM's provide such access.) You must use your Personal Identification Number (PIN) to obtain a cash advance from an ATM. You agree that you will not use your Card/Account for any transaction that is illegal under applicable federal, state or local law. Also, for security reasons, we may block the use of your card in certain countries or geographic areas. We will have no liability to you or others if any of these events occur.

Credit Line/Authorized Usage: Since we may change your credit line from time to time, your latest credit line will appear on your monthly statement. You agree not to make a Purchase, Balance Transfer or obtain a Cash Advance that would cause the unpaid balance of your Account to exceed your approved credit limit. We may honor Purchases, Balance Transfers and Cash Advances in excess of your approved credit limit at our sole discretion. If we do, this Agreement also applies to that excess and you agree to pay the excess immediately at the time of billing. You agree that we may change or cancel your credit line at any time without affecting your obligation to pay amounts that you owe under this Agreement. We may designate that only a portion of your credit line is available for Cash Advances. If we do and you exceed that limit, you will be considered to have exceeded your credit line for all purposes of this Cardmember Agreement. For security reasons, we may limit the number or dollar amount of Purchases, Balance Transfers or Cash Advances that may be accomplished with your Card or Account, and we have the right to limit authorizations to make Purchases, Balance Transfers or obtain Cash Advances if we consider it necessary to verify payments received on your Account.

Obligations On Your Account: You authorize us to pay and charge your Account for all Purchases, Balance Transfers and Cash Advances made or obtained by you or anyone you authorize to use your Card or Account. You promise to pay us for all of these Purchases, Balance Transfers and Cash Advances, plus any Finance Charges assessed on your Account and any other charges and fees which you may owe us under the terms of this Agreement. You will be obligated to pay authorized charges to your Account whether resulting from (1) actual use of your Card, (2) mail-order or telephone, computer or other electronic Purchases made without presenting the Card or (3) any other circumstance where you authorize a charge, or authorize someone else to make a charge, to your Account. Each person who is included within the definition of the term "you", above, is responsible to pay the full amount owed on the Account. We may require that you pay the full amount owed without first asking the other person(s) to pay. Your obligation to pay the amount owed on your Account continues until paid in full even though an agreement, divorce decree or other court judgment to which the Credit Union is not a party may direct someone else to pay the account balance. All payments must be made in U.S. dollars.

Finance Charges: In order to avoid a finance charge on Purchases made since your last statement date, you must pay the Total Payoff shown on your statement within 25 days of the statement closing date. Otherwise finance charges on Purchases are calculated from the beginning of the next statement period on previously billed but unpaid Purchases and on new Purchases from the date they are posted to your account. Cash Advances and Balance Transfers are always subject to finance charges from the date they are posted to your Account. The finance charge (interest) on Purchases, Cash Advances and Balance Transfers on the HFCU Classic VISA Card is calculated at the periodic rate of 1.2% per month (.03945% per day) which is an ANNUAL PERCENTAGE RATE OF 14.4%. The finance charge (interest) on Purchases, Cash Advances and Balance Transfers on the HFCU Platinum VISA Card is calculated at the periodic rate of .66583% per month (.02189% per day), which is an ANNUAL PERCENTAGE RATE OF 7.99%. If the account is past due sixty (60) days, the ANNUAL PERCENTAGE RATE will adjust to 18%, or a periodic rate of 1.5% per month (.04932% per day) on the outstanding balance in the billing cycle following the sixtieth (60th) day late. Once your account is current and you have made six (6) consecutive timely minimum monthly payments, your interest rate will be adjusted to the rate prior to the increase on the outstanding balance at the time the rate was increased. Our

then current interest rate will apply to all future transactions. Separate finance charges for Purchases, Cash Advances and Balance Transfers are determined by multiplying the periodic rate by the separate average daily balances for Purchases, Cash Advances and Balance Transfers. Each average daily balance is determined by taking the beginning balance (of Purchases, Cash Advances or Balance Transfers) in your Account each day, adding any new Purchases, Cash Advances or Balance Transfers (whichever is applicable) and subtracting any payments or credits. The results are the daily balances. All the daily balances for the statement cycle are added and the total is divided by the number of days in the statement cycle to arrive at the average daily balance for the cycle.

Other Charges: The following other charges will be added to your Account, as applicable: There will be a Cash Advance transaction charge of 2% of the Cash Advance amount with a minimum of \$2.00 and a maximum of \$10.00 for each Cash Advance obtained. You will not be subject to a Cash Advance transaction charge if you obtain a Cash Advance inside a HFCU office; A late payment fee of \$20.00 will be charged if our minimum monthly payment is not received by the twenty-eighth (28th) day following the billing cycle; A returned check fee of \$25.00 if your bank does not honor the check or direct debit you remitted to us to pay amounts you owe under this Agreement. You will be charged \$13.00 for each copy of a sales draft or statement that you request (except when the request is made in conjunction with a billing error made by the credit union).

Monthly Payment: You must pay at least the minimum monthly payment within twenty-five (25) days of the statement closing date each month. The minimum monthly payment for each billing cycle will be the greater of \$25.00 or the total of (1) 3% of your Total New Balance, plus (2) any amount past due, plus (3) any amount over your credit line at the time of billing. You may pay more than the Minimum Monthly Payment and may at any time pay the full amount you owe us. Payments and credits will be applied first to pay billed but unpaid finance charges, late charges or other fees or charges provided for herein; and next to unpaid cash advances, and then to your unpaid purchase balance.

Security Interest: By signing an application, acceptance or authorized use of any credit cards, you grant and pledge a consensual lien to us on all individual and joint share and/or deposit accounts, except those in an Individual Retirement Account or any other account that would lose special tax treatment under state or federal law of given as security, you have with us now and in the future to secure payment of your obligations on this Account. When you are in default we may apply the balance in these accounts to any amounts due under the credit card Agreement. Collateral securing other loans will also secure the repayment of the balance due under this Agreement. Your principal residence and household goods, if given as security for other loans, will not secure the repayment of the balance due under this Agreement.

Default/Collection Costs: Unless otherwise prohibited by applicable law, your Account will be in default and we may demand immediate payment of the entire amount you owe us without giving you prior notice if: (1) in any month we do not receive your Minimum Monthly Payment by the Payment Due Date; (2) you make Purchases, Balance Transfers or obtain Cash Advances in excess of your credit line; (3) you fail to comply with this Agreement or any other agreement you have with us; (4) there is a filing for your bankruptcy; (5) you die or become incapacitated; (6) we believe in good faith that the payment or performance of your obligations under this Agreement is impaired for any other reason; (7) you use or authorize the use of any Card(s) or your Account to make or facilitate any illegal transaction; or (8) you have made a false or misleading statement to us in any credit application or otherwise. As permitted by applicable law, you agree to pay all collection expenses actually incurred by us in the collection of amounts you owe under this Agreement including court costs and the fees of any collection agency to which we refer your Account and any reasonable attorney's fees.

Liability For Unauthorized Use Of Your Account: You may be liable for the unauthorized use of your Account. Unless you have been grossly negligent or have engaged in fraud, you will not be liable for any unauthorized transactions using your lost or stolen Visa card. This limit on liability does not apply to commercial cards, ATM transactions or to Personal Identification Number transactions, which are not processed by Visa. If you are liable for unauthorized transactions, your liability will not exceed \$50.00. In addition, even in these circumstances you will not be liable for unauthorized transactions that occur after you immediately notify us verbally by calling 812-853-7306 or 800-858-1693 (after hours and weekends call 800-322-4058) or in writing to attn: VISA Department, P.O. Box 189, Newburgh, IN, 47629-0189, of the loss, theft or possible unauthorized use.

Changing Or Terminating Your Account: We may change the terms of this Agreement at any time after giving you advanced notice required by law. As permitted by applicable law, any changes to this Agreement will become effective at the time stated in our notice and will apply to all applicable outstanding balances as well as new transactions. The notice we send you may state that you may notify us in writing within a specified time period that you do not wish to accept the changes we are making. You will be deemed to accept all the changes if (1) you do not send us such a notification in a timely manner, or (2) you use the Card or Account after receiving such notice. We may terminate your privileges under this Agreement or limit your right to make Purchases, Balance Transfers or Cash Advances at any time without notice or liability. If we ask, you must surrender your Card(s) to us. You agree that you will not try to make a

Purchase, Balance Transfer or obtain a Cash Advance after you have been notified that your privilege to use your account has been terminated. You may terminate your Account by notifying us in writing or surrendering all Cards to us. Your or our termination will not affect your existing obligations under this Agreement.

Credit Information: You agree that we may request consumer credit reports from one or more credit reporting agencies in connection with your application and the administration of your Account. You also authorize us to exchange credit information concerning you or your Account with (and answer questions and requests from) others, such as merchants, other creditors and credit reporting agencies.

Returns And Adjustments: Merchants and others who honor the Card may give credit for returns or adjustments, which will be credited to your Account. If your credits and payments exceed what you owe us, the amount will be applied against future Purchases, Balance Transfers and Cash Advances. The excess amount over what you owe will be refunded upon your written request or automatically within six (6) months.

Foreign Currency Transactions: Purchases and transactions in foreign currencies will be converted and debited from your account 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 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, in each instance, plus or minus any adjustment determined by the Issuer.

Refusal To Honor Card: We are not responsible for the refusal of any merchant or financial institution to honor your Card. And, except as otherwise required by applicable law or regulation, we will not be responsible for merchandise or services purchased or leased through the use of your Account.

Effect Of Agreement: This Agreement is the contract, which applies to all transactions on your Account even though the sales, balance transfers, cash advances, credit or other slips you sign or receive may contain different terms.

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

Statements And Notices: We will send statements and notices to you at the most recent address shown in our files. Notice sent to any one of you will be considered notice sent to all.

Visa Member Service: In the event the Credit Union is closed and you have questions or need assistance regarding your Heritage Federal Credit Union Visa Card, you may contact the Visa Assistance Center at 800-847-2911.

"Electronic" Disclosures, Communications, Statements, Agreements and Notices: You specifically agree that the Credit Union may provide all disclosures, statements, agreements, notices, amendments, revisions and other documents electronically. For instance, if you apply for any service on our web site, all agreements and disclosures may be made available to you electronically. You will be able to download and/or print these disclosures, statements, agreements and notices through an appropriate electronic terminal and/or printer. You should review all such disclosures, statements, agreements and notices, and keep them in a safe and convenient place. Further, you acknowledge and agree that by selecting an item or "clicking" on a "button" or similar act/action on our web site or other electronic access service regarding any terms, disclosures and agreements will constitute your acceptance, agreement, and signature to such terms, disclosures and agreements as if actually signed by you in writing. You agree that we have no obligation, liability or responsibility to respond, act upon, or follow any instruction to us that is received electronically, by e-mail or otherwise, unless we are able to authenticate the communication to our satisfaction. You further agree that the Credit Union has no obligation or liability for acting upon any such instruction that it in good faith believes to be authentic. You further acknowledge and agree that the Internet is inherently insecure; and agree that we have no liability or responsibility for any loss, claim or damages that arises or in any way relates to our response(s) to any e-mail or other electronic communication which we believe you have submitted to us.

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 you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we 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 share or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three 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 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill is 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 any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we 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 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 \$50.00 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 limitations on this right:

- You must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address; and
- The purchase price must have been more than \$50.00.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.