

VISA Infinity Credit Card Agreement/Disclosure Statement

In this Agreement/Disclosure Statement the following words have the following meanings. The words “we,” “us” and “our” refer to the Coastal Federal Credit Union. The words “you” and “your” mean all of those who have signed the Application for the VISA Infinity Card and those who sign, accept, use, retain or authorize the use of the VISA Infinity Card. In addition, the following definitions apply: “Card” means the VISA Infinity Card issued to you by us. “Checks” mean “Cash Advance Checks”; “Emergency Cash” means “Emergency Cash Disbursement Requests”; “Check Cashing” means “Special Check Cashing Service”.

You have asked for one or more Cards. To support your request you have given us your Application, which we will keep. By signing your Application you represent that all the information is true and correct.

You understand that if you have a joint VISA account or have authorized the issuance of additional Cards, you are authorizing the joint signer and any other authorized Cardholder to perform transactions on any of your accounts with the same authority as if you were doing it yourself. If we issue you the Card that you have asked for, you agree to abide by the terms of this Agreement, both in using the Card and in making your payments to us.

In this Agreement we will call the advances we make for you, or anyone else you authorize, to purchase goods and services your “Goods and Services.” We will call the advances we make to cover cash advances, cash withdrawals, checks, requests, emergency cash, check cashing, and any overdrafts resulting from your use of any check cashing services that we may provide you “Cash.”

1. Effective Date. When we have notified you of the approval of your Application and of the beginning Maximum Credit Limit for which you have been approved, this Agreement will become fully effective. You agree that consummation of this Agreement will have occurred in the State of North Carolina.

2. Responsibility for Credit Extensions. You will be and remain responsible for all authorized credit extended by merchants, banks or others honoring the Card, and to us prior to surrender of the Card when such credit is extended on the basis of the Card. You agree to all charges (purchases, cash advances, balance transfers, use of convenience checks or any other charge) made to your account by you or anyone you authorize to use your account. You also agree to pay all finance charges and other charges applied to your account under the terms of this Agreement or any other agreement you made with the Credit Union. If this is a joint account, Section 23 also applies to your account. When participating organizations offer cash advances, withdrawals, emergency cash, check cashing, or loans on the basis of the Card, all such loans shall be repaid by you to us. For any check cashing transaction where payment is rejected, for any reason, on the item that was negotiated the amount of the transaction shall be considered an advance of Cash and subject to the terms and conditions of this Agreement that govern Cash. In addition, any fees paid by us which arise from your misuse of the Card shall be assessed to your account and considered an advance of Cash.

3. Your Promise to Pay. It is essential that you make your payments on time and keep your promise under this Agreement. You agree to pay, at such place as we designate, obligations evidencing credit extension and all finance and other charges applicable and as disclosed in this Agreement, including costs of collection and reasonable attorneys’ fees we incur if legal action is taken to collect your account, as well as all costs of appeals. Please obtain current conforming address for submitting payments from your monthly statement.

4. Card is Lost or Stolen or if an Unauthorized Use May Occur. You agree to notify us immediately if your Card is ever lost or stolen or if an unauthorized use may have occurred. The telephone number to call is 1-800-808-7230 (from 7:00am-7:00pm CST) and 1-800-991-4964 after hours. You agree to follow up your call with notice in writing to us at: Credit Card Security Department, PO Box 58429, Raleigh NC 27658. You also agree to assist us in determining the facts, circumstances and other pertinent information relating to any loss, theft or possible unauthorized use of your credit card and comply with such procedures as we may require in connection with our investigation, including assisting in the prosecution of any unauthorized user. You may be liable for the unauthorized use of your Card. You will not be liable for unauthorized use that occurs after you notify us, orally or in writing, of the loss, theft, or possible unauthorized use. In any case, your liability will not exceed \$50.

5. Restrictions on Use of Card. We may refuse to issue and also may terminate, limit or modify Card privileges without notice and you agree to surrender the

Card and any Checks on demand or upon your knowledge of revocation or withdrawal of Card privileges. The Card at all times remains our property, and we may repossess it without the use of judicial process. No expired or revoked Card shall be used to obtain or to attempt to obtain credit. We shall establish a maximum aggregate amount as your total credit limit with all persons honoring the Card, which credit limit may be increased, decreased or completely terminated by us in our discretion, from time to time, by notice to you. You agree not to use the Card, Checks, Requests, Emergency Cash or Check Cashing if such use would make your debt to us greater than the credit limit established by us. We may, however, at our option, recognize transactions and extend credit which will cause your outstanding balance to exceed your maximum credit limit, in which case you shall immediately, upon demand, repay us all such sums advanced by us in excess of your authorized credit limit. This Card can not be used for illegal gambling purchases or activities.

6. Limitations on Use. For the protection of both the membership and Credit Union, certain limits on the use of your Card are imposed in conjunction with the use of your Card in foreign countries and at particular merchants. In European countries the “EMV chip” card is prevalent, which also requires the use of a pin. We do not issue EMV cards and you may encounter difficulties using your card due to the differing technology. We recommend that you seek merchant assistance if you have any difficulty using your card. This Card can not be used for illegal gambling purchases or activities.

7. Purchases and cash advances made in foreign currencies will be 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 a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives or the government mandated rate in effect for the applicable central processing date. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

A fee of up to 1% of the amount of the transaction, calculated in U.S. dollars, will be imposed on all foreign transactions, including purchases, cash advances and credits to your account. A foreign transaction is any transaction that you complete or a merchant completes on your Card outside of the U.S., Puerto Rico or the U.S. Virgin Islands.

8. Card and Personal Identification Number Restrictions. The Card and Personal Identification Number will always remain the property of the Credit Union. The Credit Union may terminate your right to use the Card and/or the Personal Identification Number of the ATM or any other automated teller machines at any time. You will return your Card and/or Personal Identification Number to the Credit Union whenever we ask for it.

9. Credit Investigation Authorized. Recognizing that we may rely on your credit and financial responsibility, you authorize us to make or have made such credit investigations as we think appropriate, to evaluate your credit, personal and financial standing and employment background. You further agree to authorize us and institutions extending credit on the basis of the Card to share their credit investigations and experience with Consumer Credit Reporting Agencies and other creditors doing business with you. You further agree that we can perform these credit investigations periodically, at our discretion.

10. Retention of Slips. At the time of obtaining each cash advance (loan) or of making each Goods and Services purchase or other credit transaction under this Agreement, you (or your authorized user) agree to sign and retain a copy of a cash advance slip or official document which accurately evidences the transaction.

11. Periodic Billing. We will bill you on a periodic (monthly) basis, on a date selected by us, for all amounts becoming due through use of the Card. The new balance shown on your statement is the total of unpaid obligations which have been posted to your account as of statement date. Automatic payment options available are: Balance in Full, Percent of Balance, Minimum Payment, Fixed Dollar Amount. We must receive at least the minimum periodic payment (see “12” below).

12. Minimum Periodic Payment. You may pay less than the total amount due on the Periodic Statement unless the entire outstanding balance has matured as provided for in Section 16. However, you agree to pay the following Minimum (Monthly) Periodic Payment: 2% of the unpaid balance of your account or \$25.00, whichever is greater.

13. Payments. You may pay all or part of the unpaid balance of your account at any

time. If we receive payment for the full amount of the New Balance for Goods and Services disclosed on the Periodic Statement before the due date shown on the Periodic Statement, we will apply it to pay the entire New Balance for Goods and Services. If any amount is received that is less than the full amount of the New Balance for Goods and Services, and less than or equal to the minimum periodic payment, payments received shall be applied in the following order: fees and finance charges; balance transfer amounts; previously billed purchases; cash advances; new purchases. Should you owe on balances at multiple interest rates under one Card, any amount received in excess of the minimum periodic payment shall be applied to the highest rate first, then to lower rates as applicable. A late payment fee up to Twenty-Five (\$25.00) Dollars will be imposed on an account that is over thirty (30) days past due.

14. Events of Default. You will be in default under this Agreement if any of the following events occurs: (a) If you fail to comply with the payment obligations or any other terms or conditions of the Agreement or of any other agreement you have with us; (b) If you made a false or misleading statement on the Application for your Card; (c) If you die or become insolvent; (d) If you file or have filed against you a petition or other proceeding commenced under the Federal Bankruptcy Code or any state order of attachment, levy or garnishment with regard to you or any of your property, assets or income; or (f) If we deem ourself or any debts due us from you under this Agreement unsafe or insecure, within our sole discretion.

15. Penalty APR due to Delinquency. Any Card account that becomes greater than 60 days past due will trigger a penalty APR of 18% penalty rate. The penalty rate shall be removed upon six (6) consecutive months of on-time payments.

16. Entire Balance Due. If any of the above Events of Default shall occur, we can “accelerate” all of your payments; that is to say, we can make the entire unpaid balance including all unpaid Goods and Services Advances, Cash, any unpaid Annual Service Fee, and any other accrued fees and charges, including FINANCE CHARGES immediately due and payable. We do not have to give you notice before taking these actions. If you fail to pay the entire outstanding balance on demand, you agree to pay all collection expenses we incur, including reasonable attorneys’ fees.

17. Change of Terms. We reserve the right to change the terms of this Agreement pursuant to applicable legal and regulatory requirements, if any. Terms that require a 45 day written notice include, but are not limited to interest rate and certain fee increases (including annual, cash advance, and late fees) and length of repayment schedules. No notice is required for certain changes including, but not limited to, extensions of credit and cash advances, index-based variable interest changes, expiration of introductory rate, and failure to meet any work-out agreement payment requirements. New terms governing extension of credit and cash advances will apply to new Goods and Services and Cash and any unpaid balance and accrued FINANCE CHARGES at the time the change is effective, where applicable.

18. Annual Service Fee. No annual fee.

19. Assessment of Costs for Misuse of Card. Any fees or other costs paid by us which arise from your misuse of the Card shall be assessed to your account and considered an extension of credit under this Agreement, as though there has been an advance of Cash. This can include excessive replacement Cards. In such cases we reserve the right to charge a Card replacement fee.

20. Cancellation. We may cancel this Agreement at any time, generally by telephone or by mailing you a written notice of cancellation, and you must surrender the Card to us whenever we ask you for it. We may cancel this Card without such notice if we deem it necessary to protect the assets of the credit union. You (any cardholder obligated to repay the credit extended using this Card) can cancel this Agreement by delivering to us written notice that you wish to do so, if the written notice is accompanied by all the Cards that we have issued to you or anyone else at your request. If another person is authorized to use your Card, and you want to terminate that person’s privileges, you must notify us in writing. If that person has a Card, you must return that Card with your written notice or you remain liable for charges incurred through use of the Card(s). If your Card account is cancelled, you are still required to pay everything you owe resulting from Card usage, including amounts for charges incurred but not yet billed.

21. Name Change or Address Notices. If you move, you must give us prompt written notice of your new address so that we can change our records. You agree to notify us in writing within twenty (20) days if you change your name, your home or mailing address, or home or business telephone number. You should mail any notice that you need to give us to the following address: Coastal Federal Credit Union,

PO Box 58429, Raleigh, NC 27658- 8429. Online banking features an automated address change service.

22. Additional Card Holders. You may authorize others to use your account. You may add up to three individuals to your account at no extra charge. Each additional cardholder will receive a credit card with his/her individual name embossed. You promise to pay for all Credit Purchases and Cash Advances made by anyone you authorize to use your account, with or without a card, and whether or not you notify us that he or she will be using it. If another person has use of your account and you want to end that person’s privilege, you must recover and return that person’s credit card, if any. If you are unable to recover and return the Card, you will continue to be liable for any charges made unless you tell us to cancel all Cards and establish a new account for you, which will be done automatically if you notify us of unauthorized use under Section 4 of this Agreement. We may request written verification from you regarding any change or cancellation to your account.

23. Joint and Several Liability. If more than one of you have signed this Agreement, you agree to be liable to us jointly and each of you will also be liable to us individually for all loans and other obligations under this Agreement. We may collect from or sue any one or more of you without giving up any of our rights against the others. This Agreement is also binding upon your heirs and personal representatives and upon anyone to whom you assign your assets or who succeeds to them in any other way.

24. Agreement. You may not assign to anyone your rights under this Agreement without prior written consent.

25. Renewal Cards. The Card may be superseded by any renewal or replacement Cards issued by the Credit Union. We reserve the right to charge for replacement Cards.

26. Waiver of Rights. The Credit Union can delay enforcing any of its rights against you under this agreement without losing them.

27. Consumer’s Right to Opt Out of Significant changes. You have the right to choose to opt out of some changes in terms that are deemed significant. In such cases we will send you written notice 45 days before the changes are due to take affect. If you use the card 14 days after this notice is mailed, you will have agreed to the new terms. If you wish to decline the new terms, you must follow the procedure detailed in the notice to opt out. Our response to your election to opt out will result in card/account privileges being terminated. All current charges/purchases, fees and finance charges must still be paid down per the original terms of our agreement.

28. Other Charges. The following other charges (fees) will be added to your Account, as applicable:

Return Check Fee: If a check or ACH debit used to make a payment on your account is returned unpaid, you will be charged a fee up to \$25.00 for each item returned.

Late Payment Fee: If a payment is received more than thirty (30) calendar days after the payment due date a late fee of up to Twenty-Five (\$25.00) Dollars will be imposed.

Excessive replacement Cards: We reserve the right to charge Ten (\$10) Dollars for replacement Card requests that we deem excessive.

29. 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 may contain different terms.

30. Severability and Final Expression. This Agreement and Disclosure are the final expression of the terms and conditions of your account. This written Agreement and Disclosure may not be contradicted by evidence of any alleged oral agreement. Should any part of this Agreement or the Disclosure be found to be invalid or unenforceable, all other parts of this Agreement and Disclosure shall remain in effect and fully enforceable to the fullest extent possible under this Agreement.

31. Statements and Notices. Statements and notices will be mailed (or delivered electronically, should you agree to receive them electronically) to you at the appropriate address you have given the Credit Union. Notice sent to any one of you will be considered notice to all.

Initial Disclosure Statement

FINANCE CHARGES/"GOODS AND SERVICES:" FINANCE CHARGES imposed as Credit Purchases:

Method G: Finance Charges will be imposed on Credit Purchases only if you elect not to pay the entire New Balance shown on your monthly statement for the previous billing cycle within 25 days from the closing date of that statement. If you elect not to pay the entire New Balance shown on your previous monthly statement within that 25-day period, a Finance Charge will be imposed on the unpaid average daily balance of such Credit Purchases from the previous statement closing date and on new Credit Purchases from the date of posting to your account during the current billing cycle, and will continue to accrue until the closing date of the billing cycle preceding the date on which the entire New Balance is paid in full or until the date of payment if more than 25 days from the closing date.

The Finance Charge for a billing cycle is computed by applying the **monthly Periodic Rate of .9992% – 1.415833%, which is an ANNUAL PERCENTAGE RATE of 11.99% – 16.99%**, to the average daily balance of Credit Purchases, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle any new Credit Purchases posted to your account, and subtracting any payments as received and credits as posted to your account, but excluding any unpaid Finance Charges.

Finance Charges imposed as to Cash (Loans) obtained and charged to your Account through use of the Card, Checks, or Requests—all of which activities are collectively referred to below as "Cash."

Cash Advances Average Daily Balance (Method A)

A Finance Charge will be imposed on Cash Advances from the date made or from the first day of the billing cycle in which the Cash Advance is posted to your account, whichever is later, and will continue to accrue until the date of payment.

The Finance Charge for a billing cycle is computed by applying the **monthly Periodic Rate of .9992%–1.415833%, which is an ANNUAL PERCENTAGE RATE of 11.99%–16.99%**, to the average daily balance, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance is determined by adding to the Previous Balance (the outstanding balance of your account at the beginning of the billing cycle) any new Cash Advances received and any new Credit Purchases posted to your account, and subtracting any payments as received or credits as posted to your account but excluding any unpaid Finance Charges.

Security for this Account

To secure your credit card account, you grant us a purchase money security interest under the Uniform Commercial Code in any goods you purchase through the account. If you default, we will have the right to recover any of these goods which have not been paid for. As a condition for the approval of your VISA account you grant us a specific pledge of your credit union shares (deposits).

Pledge Share Account(s) - NOTE: You pledge to us and grant a security interest in all individual and joint accounts you have with us now and in the future, to secure your VISA Credit Card account. You authorize us to apply the balance in these account(s) to pay any amounts due under this agreement if you should default. Shares and deposits in an Individual Retirement Account, and 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 have given in your shares and deposits.

Collateral securing other loans you have with the Credit Union may also secure this loan, except that your home will never be considered as security for this Account, notwithstanding anything to the contrary in any other agreement.

Law Governing This Agreement

To the extent not expressly prohibited by applicable law, this Agreement and your account, as well as our rights and duties and your rights and duties regarding this Agreement and your account, will be governed by and interpreted in accordance with the laws of the State of North Carolina (excluding the conflicts law of North Carolina) and the United States regardless of where you may reside or use your account at any time. This choice of law is made because of a strong relationship between this Agreement and your account to Coastal Federal Credit Union, because issuer is located in North Carolina, and to insure uniform procedures and interpretation for all of our customers, no matter where they reside or use their accounts. If any term of provision of this Agreement is found to be unenforceable, this will not make any other terms or provision unenforceable. Any financial service provided by Coastal Federal Credit Union may be used for any transaction permitted by law. I agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such service and/or other related services may be terminated at CFCU's discretion. I further agree, should illegal use occur, to waive the right to sue CFCU for such illegal activity directly or indirectly related to it. I also agree to indemnify and hold CFCU harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use.

Limitation on Lawsuits

You agree that any lawsuit based on any cause of action which you may have against us must be filed within one (1) year from the date that it arises or you will be barred from filing a lawsuit. This limitation is intended to include tort, contract, and all other causes of action for which you and we may lawfully contract to set limitations for bringing suit.

Your Billing Rights

This notice contains important information about your rights and responsibilities under the Fair Credit Billing Act.

Notify Us In Case of Errors or Questions About Your Statement

If you think your statement is wrong, or if you need more information about a transaction on your statement, write us on a separate sheet at the address shown on your VISA statement after the notation "send inquiries to" or similar wording. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement 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
- The specific reason you believe the item is an 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 checking or share 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 statement 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 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 statement that are not in question.

If we find that we made a mistake on your statement, 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 reported you to that the matter has been settled between us when it is final.

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your statement 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:

1. 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
2. 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.

VISA Infinity Agreement/Disclosure Statement

PLEASE RETAIN THIS DISCLOSURE FOR YOUR FUTURE REFERENCE.



www.COASTAL24.com | (800) 868-4262

In compliance with requirements of the Federal Truth in Lending and Fair Credit Billing Acts, this Credit Union makes the following disclosure of credit terms applicable to the use of your **VISA Infinity** Credit Card. Additional disclosures are made in accordance with the Electronic Fund Transfer Act.