

DIVERSIFIED MEMBERS CREDIT UNION CREDIT CARD AGREEMENT AND DISCLOSURES

In this Agreement the words “you” and “your” mean each and all of those who agree to be bound by this Agreement; “Card” means a Visa® credit card and any duplicates, renewals, or substitutions the Credit Union issues to you; “Account” means your secured Visa credit card line of credit account with the Credit Union, and “Credit Union” means the Credit Union whose names appears on this Agreement or anyone to whom the Credit Union transfers this Agreement

1. Using your Account. 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. Each payment you make to your Account will restore your credit limit by the amount of the payment less finance and “other charges”. You may request an increase in your credit limit only by a method acceptable to the Credit Union. The Credit Union has the right to reduce your credit limit, refuse to make an advance and/or terminate your account at any time for any reason not prohibited by law.

2. Using the Visa Card. You may use your Card to make purchases from merchants and others who accept Visa cards. In addition, you may obtain cash advances from the Credit Union and from other financial institutions that accept Visa cards, and from some automated teller machines (ATMs), such as the Visa ATM Network, that accept Visa cards. (Not all ATMs accept Visa cards.) To obtain cash advances from an ATM, you must use the Personal Identification Number (PIN) that is issued to you for use with your card. You agree not to make or permit to be made any illegal transactions on your Account through the use of a Card, a check or in any other manner. We may deny authorization for any Internet gambling transactions. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction.

3. Responsibility. You agree to pay all charges (purchases and cash advances) to your Account that are made by you or anyone whom you authorize to use your Account. You agree not to authorize anyone to use your Account without the prior written consent of the Credit Union. You also agree to pay all finance charges and other charges added to your Account under the terms of this Agreement or another agreement you made with the Credit Union. If this is a joint Account, Section 16 also applies to your Account.

4. Default. You will be in default if you fail to make any minimum payment or other required payment by the date that it is due. You will be in default if you break any promise you make under this Agreement. You will be in default if you are more than sixty (60) days past due. You are in default if you die, file for bankruptcy or become insolvent, that is, unable to pay your obligations when they become due. You will be in default if you make any false or misleading statements in any credit application or credit update. You will also be in default if the Credit Union in good faith reasonably believes that the prospect of payment or performance of your obligations under this agreement is impaired.

When you are in default, the Credit Union has the right to demand immediate payment of your full Account balance without giving you notice and we will close your Share Secured VISA® Account. If immediate payment is demanded, you agree to continue paying finance charge, at the periodic rate charged before default, until what you owe has been paid, and any shares that were given as security, (the Deposit), for your Account will be applied towards what you owe.

5. Liability for Unauthorized Use-Lost/Stolen Card Notification. You may be liable for the unauthorized use of your Card. You will not be liable for unauthorized use that occurs after you notify the Credit Union, orally or in writing, of the loss, theft, or possible unauthorized use. In any case, your liability will not exceed \$50. You can notify the Credit Union by calling (313)568-5000; after hours or out of country call (800)543-5073; or write to Diversified Members Credit Union, 1480 East Jefferson Avenue, Detroit, MI 48207.

6. Security Interest. If you give the Credit Union a specific pledge of shares by signing a separate pledge of shares, your Account will be secured by your pledged shares. There is no other security for this Account, notwithstanding anything to the contrary in any other agreement. You may not withdraw amounts that have been specifically pledged to secure your account until the Credit Union agrees to release all or part of the pledged amount.

7. Finance Charges. A Finance Charge 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 21 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 21 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 21 days from the closing date.

The Finance Charge for a billing cycle is computed by applying the Monthly Periodic Rate 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**.

A Finance Charge will be imposed on Cash Advances from the date of the Cash Advance or from the first day of the billing cycle in which the Cash Advance is posted to your account, whichever is later, and will otherwise be calculated in the same manner as explained above for Credit Purchases.

8. Payments. Each month you must pay at least the minimum payment shown on your statement by the date specified on the statement or no later than 21 days from the statement closing date, whichever is later. If your statement says the payment is "Now Due," your payment is due no later than 21 days from the statement closing date. You may pay more frequently, pay more than the minimum payment or pay the Total New Balance in full. If you make extra payments or larger payments, you are still required to make at least the minimum payment each month your Account has a balance (other than a credit balance). The minimum payment is 3% of your Total New Balance, but not less than \$20.00, plus the amount of any prior minimum payments that you have not made. We may reject payments not drawn in U.S. dollars or those drawn on a financial institution located outside of the U.S. If you are more than sixty (60) days past due in your minimum required payments, your Account will be closed and your Deposit will be used to pay the outstanding balance.

9. Payment Allocation. Subject to applicable law, any payments over the required minimum payment amounts and any credits to balances on your Account will be credited to balances with the highest applicable APR first. We will then credit payments to lower rate balances in descending order of APRs. The manner in which we apply any payment to your Account balances may affect the amount of any payment applied to introductory or promotional financing balances.

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

Cash Advance Fee: Either **\$10.00** or **3.00%** of the amount of each cash advance, whichever is greater.

Late payment Fee: A late charge of up to **\$25.00** will be added to your account if you are late making a payment. **Non-Sufficient**

Funds 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 up to **\$28.00** for each item returned.

11. Changing or Terminating Your Account. The Credit Union may change the terms of this Agreement from time to time. Notice of any change will be given in accordance with applicable law. Use of your Card after receiving notice of a change will indicate your agreement to the change. If permitted by law and specified in the change of terms notice to you, the change will apply to future transactions. The change will apply to existing balances only as permitted by law. When required by law to advise you that you have a legal right to reject any changes we make, we will provide you with an explanation about how to do that.

Either you or the Credit Union may terminate this agreement at any time, but termination by you or the Credit Union will not affect your obligation to pay the Account balance plus any finance and other charges you owe under this Agreement. You are also responsible for any transaction that you initiated and we authorized prior to termination, even though the transaction is not posted until after termination.

The Card or Cards you receive remain the property of the Credit Union and you must recover and surrender to the Credit Union all Cards upon request or upon termination of this Agreement whether by you or the Credit Union. The Credit Union has the right to require you to pay your full Account balance at any time after your Account is terminated, whether it is terminated by you or the Credit Union. If this is a joint Account, Section 16 of this Agreement also applies to termination of the Account.

12. Credit Information. You authorize the Credit Union to investigate your credit standing when opening or reviewing your Account. You authorize the Credit Union to disclose information regarding your Account to credit bureaus and creditors who inquire about your credit standing.

13. 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 months.

14. 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.

15. Foreign Transactions. Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. 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. The currency 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.

16. Joint Accounts. If this is a joint Account, each person on the Account must sign the Application for the Account. Each of you will be individually and jointly responsible for paying all amounts owed under this Agreement. This means that the Credit Union can require any one of you individually to repay the entire amount owed under this Agreement. Each of you authorizes the other(s) to make purchases or cash advances individually. Any one of you may terminate the Account and the termination will be effective as to all of you.

17. 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.

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

19. Statement 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.

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

21. Signatures. By signing in the Signature area of the application form that accompanied this agreement when you received it, you agree to the terms of this Agreement. You should retain this Agreement for your records.

22. Final Expression. This agreement is the Final expression of the terms and conditions of this Visa line of credit between you and the Credit Union. This written Agreement may not be contradicted by evidence of any alleged oral agreement.

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 at the address on the front of the statement. 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 savings 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 was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent on that amount. The charge in question may remain on your statement. We may continue to charge you finance charges on that amount. 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. We can apply any unpaid amount to your credit limit.

If we find that we made a mistake on your bill, you will not have to pay the amount in question or any finance charges or other fees related to the questioned amount. If we do not believe there was a mistake, you will have to pay the amount in question and any finance charges and related fees. In either case, we will send you a statement of the amount you owe and the date 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 cannot report you as delinquent without also reporting that you are questioning 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 all these rules, you do not have to pay the first \$50 of the questioned amount, even if your bill is correct.

Your Rights If You Are Dissatisfied With Your Credit Card Purchases

The Credit Union is not responsible for the refusal of any merchant or financial institution to honor your card.

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 property or services. To use this right, all of the following must be true.

(a) 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.

These limitations do not apply if we own or operate the merchant that sold you the goods, or if the purchase was based on an advertisement we mailed to you.

(b) 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.

(c) You must not yet fully paid for the purchase.

If all of the criteria above are met and you are still dissatisfied with your purchase, contact us in writing at the address on the front of the statement.

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 the amount and you do not pay, we may report you as delinquent.