

Southern Security Federal Credit Union VISA® Credit Card Agreement

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 VISA® Credit Card and any duplicates, renewals, or substitutions Southern Security Federal Credit Union issues to you; "Account" means your VISA® Credit Card line of credit account with Southern Security Federal Credit Union, and whose name appears on this Agreement or anyone to whom Southern Security Federal Credit Union transfers this Agreement.

1. Using Your Account. If you are approved for an Account, Southern Security Federal 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. Each payment you make to your Account will restore your credit limit by the amount of the payment, unless you are over your credit limit. 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 Southern Security Federal Credit Union. Southern Security Federal 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. However, you may not use your Card to initiate any type of electronic gambling transaction through the internet. In addition, you may obtain cash advances from Southern Security Federal Credit Union and from other financial institutions that accept VISA® Cards, and from some automated teller machines Plus (ATMs), (Not all Plus ATMs accept VISA® Cards.) To obtain cash advances from an Plus ATM, you must use the Personal Identification Number (PIN) that is issued to you for use with your Card. You may use your Visa® Card to conduct any transaction or obtain any Southern Security Federal Credit Union service permitted by law. You agree that the use of the Visa® Card to obtain a service or effect a transaction that is illegal under the law of any jurisdiction where originated, effected or accomplished will be a default and breach of this Agreement. We may terminate the access to the service or withdraw the right to use the Visa® Card and/or demand the return of all Visa® Cards or other access devices issued to you. If illegal use of your Visa® Card occurs, you waive the right to sue us and agree to indemnify and hold us harmless from any suits or other legal action or liability which may be asserted, directly or indirectly, against us arising out of or resulting from the illegal use of the Visa® Card.

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 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 Southern Security Federal Credit Union. If this is a joint Account, Section 17 of this Agreement also applies to your Account.

4. Finance Charges. New purchases posted to your account during a billing cycle will not incur a finance charge for that billing cycle if you had a zero or credit balance at the beginning of that billing cycle or you paid the entire New Balance on the previous cycle's billing statement by the Payment Due Date of that statement; otherwise a finance charge will accrue from the date a purchase is posted to your account. To avoid an additional finance charge on the balance of purchases, you must pay the entire New Balance on the billing statement by the Payment Due Date of that statement. A finance charge begins to accrue on cash advances from the date you get 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. The finance charge is calculated separately for purchases and cash advances. For purchases, the finance charge is computed by applying the monthly periodic rate to the average daily balance of purchases. To get the average daily balance of purchases, we take the beginning outstanding balance of purchases each day, add any new purchases, and subtract any payments and/or credits. This gives us the daily balance of purchases. Then we add all the daily balances of purchases for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the average daily balance of purchases. For cash advances, the finance charge is computed by applying the monthly periodic rate to the average daily balance of cash advances. To get the average daily balance of cash advances, we take the beginning outstanding balance of cash advances each day, add in any new cash advances, and subtract any payments and/or credits that we apply to the cash advance balance. This gives us the daily balance of cash advances. Then we add all the daily balances of cash advances for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the average daily balance of cash advances.

VARIABLE RATE. Your Account is subject to a Variable Rate which is based on the highest Prime Rate as published in the Money Rates Section of the Wall Street Journal in effect on the last day of each calendar quarter ("Index") plus our Margin. The Index plus the Margin equals the Interest Rate. Changes in the Index will cause changes in the Interest Rate on the first day of the next billing cycle following the change ("Change Date"). Increases or decreases in the Interest Rate

will result in like increases or decreases in the Finance Charge and will affect the amount of your regularly scheduled payments that you will be required to make. An increase in the Index will result in an increase in your regularly scheduled payment amount. There is no limit on the amount by which the annual percentage rate can change on any Change Date other than the maximum Annual Percentage Rate. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 18%. The **ANNUAL PERCENTAGE RATE** for your Card is based on certain creditworthiness criteria. Refer to your account opening disclosure for the Annual Percentage Rate and Daily Periodic Rate accompanying this agreement.

PENALTY APR: If your required minimum monthly payment is not received within 60 days after the due date for that payment, and after providing you with notice as required by applicable law (the "Notice"), the Daily Periodic Rate for your Account will increase to 0.0493%, corresponding to an **ANNUAL PERCENTAGE RATE** of 18.00% ("Penalty Rate"). The Penalty Rate will be applied to the outstanding balance of your Account as of the effective date specified in the Notice. If the Credit Union receives six (6) consecutive required minimum monthly payments on or before the payment due dates beginning with the first payment due following the effective date of the increase, the Credit Union will reduce the Annual Percentage Rate for your Account to the rate that would have applied prior to the increase for transactions that occurred prior to or within 14 days after the Notice was provided. The Periodic and Annual Percentage Rates applicable to other transactions will be as disclosed to you in the Notice.

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

- a) **Late Payment Fee:** If after 5 days late you will be charged a late fee of \$25.00.
- b) **Return Payment Fee:** If a check or share draft used to make a payment on your account is returned unpaid, you will be charged \$30.00 for each item returned.
- c) **Card Replacement Fee:** You will be charged \$10.00 for each replacement card that you request.
- d) **Document Copy Fee:** You will be charged \$1.00 for each statement that you request (except when the request is made in connection with a billing error made by Southern Security Federal Credit Union).
- e) **Collection Costs:** If you do not pay any amount due hereunder, we may hire or pay someone who is not our employee to help collect your loan account, which shall include any amounts due under this Plan. You agree to pay us all costs of collection, including, without limitation, reasonable attorney's fees, court costs, and other costs and expenses of collection. These costs, expenses, and attorneys' fees will include, without limitation, costs, expenses and attorneys' fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals, and any anticipated post-judgment collection services. If the Credit Union accepts any payment of your debt under this contract after having demanded payment on the entire unpaid balance due or after the Credit Union has sued you, this won't be considered a waiver or forgiveness of any default in payments or any other default on your part. The Credit Union may delay enforcing any of its rights without losing them.
- f) **Pay By Phone Fee:** None

6. **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 25 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 25 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 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 1% of your Total New Balance, or \$25.00 whichever is greater, plus the amount of any prior minimum payments that you have not made, and any amount you are over your credit limit. Southern Security Federal Credit Union also has the right to demand immediate payment of any amount by which you are over your credit limit.

7. **Payment Allocation.** Payments when paid during a billing cycle will be applied to amounts outstanding at the time payment is received in the following order: Unpaid interest, other charges, previous cash advances, balance transfers and current purchases. Payment amounts in excess of your minimum payment will be applied first to balances with the highest Annual Percentage Rate until that balance is paid off and then to balances with the next highest Annual Percentage Rate until those balances are paid off.

8. **Security Interest.** To secure your credit card account, you grant us a purchase money security interest 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 credit card account you grant us a specific pledge of your Southern Security Federal Credit Union shares (deposits) and checking account(s), excepting those accounts that would have

an adverse tax consequence if pledged as collateral. Collateral securing other loans you have with Southern Security Federal 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. PLEDGE OF SHARE AND SHARE DRAFT (CHECKING) 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 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.

9. **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 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 something happens that Southern Security Federal Credit Union believes may substantially reduce your ability to repay what you owe. When you are in default, Southern Security Federal Credit Union has the right to demand immediate payment of your full Account balance without giving you notice. 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 for your Account may be applied towards what you owe.

10. **Unauthorized Use—Lost/Stolen Card Notification.** You have no liability for the unauthorized use of your card. If you believe your card has been lost or stolen, notify Southern Security Federal Credit Union orally or in writing at P.O. Box 310, Collierville, TN 38027 or telephone (800) 633-4128 Monday through Friday 8:30 a.m. to 5:00 p.m. or after hours (888) 241-2510 seven (7) days a week, 24 hours a day. Outside the U.S. call (909) 941-1398.

11. **Changing or Terminating Your Account.** Upon notice to you as required by law, the terms and conditions in this Agreement may be amended by Southern Security Federal Credit Union at any time. The amendment shall govern any transactions occurring prior to the effective date of the amendment, as to which there is an unpaid balance owing on the effective date of the amendment and the amendment shall also govern any transaction occurring after such effective date. Upon notice of amendment, you will have the right to surrender your Card, whereupon you may continue to pay off your account in the same manner and under the same terms and conditions as then in effect. Your failure to surrender the Card prior to the effective date of the amendment shall constitute consent to the amendment.

12. **Credit Information.** You authorize Southern Security Federal Credit Union to investigate your credit standing when opening or reviewing your Account. You authorize Southern Security Federal 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 Southern Security Federal Credit Union a credit slip which will be posted to your Account. If your credits and payments exceed what you owe Southern Security Federal 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 after six months.

14. **Additional Benefits/Card Enhancements.** Southern Security Federal 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 Southern Security Federal 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 conversion rate to U.S. dollars will be determined in accordance with the operating regulations established by VISA® International. Currently the currency conversion rate used to determine the transaction amount in U.S. dollars is either a government-mandated rate or the wholesale market rate in effect one day prior to the transaction processing date, increased by one-percent. The currency conversion 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. **Merchant Disputes.** Southern Security Federal Credit Union is not responsible for the refusal of any merchant or financial institution to honor your Card. Southern Security Federal 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 from the merchant or service provider, and (a) your purchase was made in response to an advertisement Southern Security Federal 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 100 miles of your home.

17. **Joint Accounts.** If this is a joint Account, each person on the Account must sign the Application for Credit Card. Each of you will be individually and jointly responsible for paying all amounts owed under this Agreement. This means that Southern Security Federal 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.

18. **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.

19. **No Waiver.** Southern Security Federal Credit Union can delay enforcing any of its rights any number of times without losing them.

20. **Statements and Notices.** Statements and notices will be mailed or emailed to you at the most recent address you have given Southern Security Federal Credit Union. Notice sent to any one of you will be considered notice to all.

21. **Final Expression.** This Agreement is the final expression of the terms and conditions of this VISA® line of credit between you and Southern Security Federal Credit Union. This written Agreement may not be contradicted by evidence of any alleged oral agreement.

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

23. **Savings Clause.** If any of the provisions of this Agreement shall be invalid or unenforceable, then this Agreement shall be construed as if it did not contain the provisions and Southern Security Federal Credit Union's right and your obligations shall be construed and enforced accordingly.

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:

Southern Security Federal Credit Union
P.O. Box 310
Collierville, TN 38027

You may also contact us via e-mail at MyCu@SouthernSecurity.org

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 [or electronically]. 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.

What Will Happen After We Receive Your Letter

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 why we believe the bill was 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 [or electronically]* at:

Southern Security Federal Credit Union
PO Box 310
Collierville, TN 38027

Via email at MyCU@SouthernSecurity.org

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.