

Dear VISA Cardholder:

Your Credit Union Credit Committee has approved the issuance of a VISA card to you in response to your written application. Your Credit Union Visa Card is a real value in today's market, with low monthly finance charges and no annual fees. You will find that you can use your card more often because it really cost you less...no annual fee and much lower interest rates.

Federal Regulations require the Credit Union to Provide in writing the following information about your new VISA card, prior to your use of the card. Please read this information carefully. Your new card(s) will be mailed to you shortly.

VISA CHARGE CARD TERMS & CONDITIONS: The following terms and conditions pertain only to our VISA CARD program and define how we administer the program. Please contact the Credit Union if you require any further clarification of these terms and conditions.

- 1. **Parties in this Agreement:** "you" or "your" means Cardholder. "we", "us", or "our" means the Credit Union, "card" means VISA Card, "account" means VISA.
- 2. **Agreement to Terms:** In accordance with your request we have opened an Account for you. Your signature on the application, your retention of the Card, and/or your use of the Account in any way means you agree to the terms of this Agreement and the provisions on the Card itself.

This Agreement governs your Account and use of the Card we have issued you. We will pay member merchants for goods and services you obtain by use of the Card and make other loans to you on terms explained later in this agreement. You authorize us to charge your account for all such amounts, and for any other amounts advanced to third parties on your behalf. This includes, without limitation, any amounts we advance on your behalf as a result of use of any Card-related services offered by VISA International.

- 3. **Unlawful Internet Gambling:** The Act prohibits any person engaged in the business of betting or wagering from knowingly accepting payments in connection with the participation of another person in "unlawful internet gambling", defined as "placing, receiving, or otherwise knowingly transmitting a bet or wager by any means which involves the use, at least in part, of the internet where such bet or wager is unlawful under any Federal or State law in the State in which the bet is made.

In accordance with the requirements of the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG, this notification is to inform you that restricted transactions are prohibited from being processed through your account or relationship with TACU. Restricted transactions are transactions in which a person accepts credit, funds, instruments, or other proceeds from another person in connection with unlawful internet gambling.

- 4. **Applicable Law:** This Agreement is governed by Michigan law, subject to applicable provisions of Federal law.

- 5. **Consumer Loans:** You agree that all credit extended under your Account shall be used only for personal, family, household and/or charitable purposes and not for any commercial purpose.

- 6. **Monthly Statement:** We will send to you a monthly statement at least 14 days before the payment due date. Purchases, Cash Advances, adjustments, and payments made since the last billing date will be shown on this statement. You will pay us the full balance owed within 25 days from the billing date shown on the monthly statement, or pay in installments, you must pay at least the minimum payment described in Paragraph 10.

- 7. **Use of Drafts:** We may issue Drafts for use with your Account and, if any are issued, the amount to each Draft we pay will be charged to your Account as a Cash Advance. Each Draft must be for \$100 or more and in the form we send to you. There is no charge for the cost of supplying you the Drafts, but you agree to pay fees referred to in Paragraph 13. Drafts may be used only by a Cardholder and must be completed and signed in the same way you use regular checks; however, you cannot use a Draft to pay any amount owed under this agreement. We will pay each Draft you write except drafts written under the following circumstances:

- A. If payment of the Draft would cause your outstanding Cash Advance balance to exceed 50% of your Maximum Credit Limit.
- B. If you are in default under this agreement.
- C. If your rights to use Drafts are canceled or suspended.

Draft checks which you use and we pay are not returned to you but are identified on your monthly billing statement. If we do not pay a draft written against your account, we will charge you and you agree to pay a fee of \$15 for each such returned draft.

- 8. **Cash Advance:** The total amount of Cash Advances, (including Drafts if available, withdrawals from ATMs, and originations from the Card itself) you can receive at any time will be 50% of your Maximum Credit Limit and you agree not to permit your unpaid Cash Advance balance to exceed this limit, you will not be eligible for additional Cash Advances until your unpaid Cash Advance balance is below this limit. At that time, you may access the amount of the difference between your unpaid Cash Advance balance and 50% of your Maximum Credit Limit.

- 9. **Maximum Credit Limit:** This Account is designed to give you a specific Maximum Credit Limit, which is reflected on the Card carrier accompanying your Card, and also on your monthly statements. You agree that we may change this limit at any time, and we will notify you of any such change. You agree not to permit your unpaid balance to exceed the Maximum Credit Limit. You understand that if you request an advance or charge against your Account which exceeds the limit, we may charge an over limit charge as described in Paragraph 13. We may, however, at our option, grant any such advance or charge, and if we do, you agree to pay any amount in excess of your Maximum Credit Limit immediately without notice or demand from us.

- 10. **Payment:** You promise to pay all amounts due on your Account. If your Account is a joint account, you and your joint account holder each promise to pay and are jointly and individually responsible for all amounts due on the Account. If your Account is an individual account, you promise to pay and are individually responsible for all amounts due on the Account. If your Account is an individual account, we may issue additional Cards to other persons you authorize to use your account if you ask us to do so. However, you are responsible for all charges made by any person(s) you have authorized to use your account.

You understand that you may pay all or any part of the balance on your account at any time. You must, however, pay an amount not less than the minimum payment due for each month you have an outstanding balance. You must pay us directly and we must receive this payment and the remittance stub on or before the payment due date, in order for your account to be credited by the due date. All payments shall be made at the address indicated on the monthly statement and shall be made in U.S. dollars by a check drawn on or a money order issued by a U.S. financial institution, naming us as payee. You must not send cash. You agree to pay for any charges you incur in a foreign currency, which will be converted to U.S. dollars on a date that may be later than the transaction date, and may be subject to an interchange conversion fee. In accordance with applicable law, we will choose the order in which any payment will be applied to your indebtedness to us at the time the payment is made.

- 11. **Minimum Payment:** Your Minimum Payment, due within 25 days from the billing cycle closing date shown on your monthly statement, will be the greater of \$10.00, or 5% of the new balance plus past due Minimum Payments from prior statements. A new balance of less than \$10.00 must be paid in full. There is no grace period for Cash Advances.

- 12. **Finance Charge:** You agree to pay the FINANCE CHARGE on your account:

- A. NO FINANCE CHARGE is imposed on Purchases which first appear on your current billing statement when the Previous Balance shown on that statement is zero (or a credit balance) or when payments and credits shown equal or exceed the Previous Balance.
- B. Otherwise, a FINANCE CHARGE is imposed on Purchases, Cash Advances, and Drafts from the later of the transaction date or the first day of the billing cycle during which the transaction posts, until payment in full is received.

We figure your FINANCE CHARGE by:

First determining the Average Daily Balances in your Account. These Average Daily Balances are:

- C. The Average Daily Balance of Purchases: We figure a FINANCE CHARGE for purchases on the "average daily balance" of purchases. To get this balance, we take the beginning balance of Purchases for each day of the billing cycle, add any new Purchases, applicable unpaid FINANCE CHARGE, late, over limit, and credit insurance charges, and subtract any applicable portions of payments and credits. This gives us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the correct billing cycle. This gives us the Average Daily Balance of Purchases.

- D. The Average Balance of Previous Billing Cycle Purchases. We figure a FINANCE CHARGE for purchases on the "average daily balance" of the previous Billing Cycle Purchases. This Average Daily Balance arises only when the Previous Balance on your last billing statement was zero (or a credit balance), or when payments and credits on that statement equaled or exceeded that Previous Balance, but we did not receive the entire balance shown on the statement by the next monthly closing date. To get this Average Daily Balance, we take the beginning balance of Purchases on each day of your last billing cycle, add any new Purchases on each day of your last billing cycle, applicable unpaid FINANCE CHARGE, and late, over limit and credit insurance charges, and subtract any applicable portions of payments and credits. This gives us the daily balance. Then, we add up all

the daily balances for that billing cycle. Then, we add up all the daily balances for that billing cycle and divide the total by the number of days in that billing cycle. This gives us the Average Daily Balance of Previous Billing Cycle Purchases.

- E. The Average Daily Balance of Cash Advances and Drafts. We figure a portion of the FINANCE CHARGE for Cash Advances and Drafts on the "average daily balance" of Cash Advances and Drafts. To get this balance, we take the beginning balance of Cash Advances and Drafts on your Account for each day of the current billing cycle, add any new Cash Advances and Drafts and applicable unpaid FINANCE CHARGE, and subtract the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the correct billing cycle. This gives us the Average Daily Balance of Cash Advances and Drafts.

- F. Multiplying your Average Daily Balances by the applicable monthly Periodic Rate or Rates.

- G. Adding the products of the multiplication of the Average Daily Balances and the Monthly Periodic Rate to arrive at your PERIODIC FINANCE CHARGE

- H. Adding any fees referred to in the paragraph title "Cash Advance Fees".

- 13. **PERIODIC RATE ANNUAL PERCENTAGE RATE:** (APR): Credit purchases and Cash Advances are subject to a fixed periodic rate. The periodic rate used to compute the FINANCE CHARGE for both purchases and advances is 1.075% per month. The corresponding ANNUAL PERCENTAGE RATE is 12.90%.

- 14. **Other Charges:** The following listed charges are charged in addition to a FINANCE CHARGE as a regular part of our VISA Program.

- A. **Annual Fee:** There is no annual fee connected with this card.

- B. **Late Payment Charges:** You agree that a late charge of \$15.00 will be due and payable and added to the balance on your Account if you do not make a payment on your Account equal to or greater than the minimum monthly payment on or before the 15th day following the payment due date.

- C. **Over Limit Charge:** You agree that our over limit charge of \$15.00 will be due, payable, and added to the balance on your Account if you exceed your limit on or before the 15th day following the payment due date.

- D. **Cash Advance Fee:** Cash Advances are not subject to any additional fees other than the FINANCE CHARGE as previously stated.

- E. **Document Fee:** If a copy of any monthly statement, sale draft or similar document is provided by the card issuer at the Cardholder's request (other than in connection with billing error inquiries or resolution), a document fee may be imposed.

- F. **Returned Check Fee:** You agree to pay \$15.00 for each check or draft issued by you as a payment on your Account which fails to clear and is returned unsatisfied.

- G. **Visa Fees:** Visa will charge 0.8% for international transactions that do not involve multiple currency conversions. The current 1% FTF assessment remains unchanged for international transactions that involve multiple currency conversions.

- 15. **Security Interests:** If you have other loans from the Card issuer, or take out other loans with the Card Issuer in the future, collateral securing those loans will also secure your obligations under this agreement. Your household goods and primary dwelling will not secure your obligations under this agreement even if the Card Issuer has or later obtains a mortgage on the dwelling.

- 16. **Default:** You will be in default if you fail to make payment when due, exceed your credit limit under any account, die, file or otherwise become subject to any bankruptcy or insolvency proceedings, or do not comply with any of the terms governing any account with us. If you default, we may at our option, declare any amounts you owe under any or all accounts to be immediately due and payable. Also, we may revoke the privileges attaching to any or all Card(s), cancel the Card(s) and terminate this agreement as to future purchases and cash advances. All cards are our property. Subject to applicable provisions of law and unless you reside in Wisconsin, you agree to pay the reasonable costs for collecting amounts due including reasonable attorney's fees and court costs. If credit extended under this agreement is used for other than personal, family, household or charitable purposes, all amounts owing shall become immediately due and payable. Also, your card can be revoked and this agreement can be terminated as provided in this paragraph.

- 17. **Insurance:** If you become insured under a credit insurance plan which we make available, a Certificate of Insurance will be issued to you. You agree that your Account may be charged the applicable monthly premium. The charge will be computed on the New Balance and shown as Purchase on your statement each month. Should you fail to make a payment on an Account for 3 consecutive billing

cycles, your insurance may be canceled. You understand that the purchase of credit insurance is voluntary and is not required for the extension of credit.

- 18. **Failure to Honor Card:** We are not responsible if anyone refuses to honor the Card. If there is a problem with merchandise or services obtained with the card, you may have the right not to pay the remaining amount due on them. An explanation of your rights is stated later in this brochure under the heading of "Billing Rights". We will have no responsibility for merchandise or services purchased with the Card unless required by law.

- 19. **Change in Terms:** We have the right to change any of the written terms of this agreement at any time. You will be given advance written notice of a change, if required by law, at least 30 days before the effective date of the change. Any change in terms governs your account as of the effective date of the change. Any change in terms governs your account as of the effective date and will apply both to transactions made on or after such date and to any outstanding account balance. However, unless otherwise required by law or otherwise specified in the notice of change we send you, if the changes have the effect of increasing your interest or other charges, such change will not apply if: 1) you notify us, in writing, within the time period specified in the notice of change that you do not agree to accept such change and 2) you do not use your Account after a date specified in the notice of change.

- 20. **Notices—NOTICE TO US:** Though you may not be liable for the unauthorized use of your Card, you will immediately notify us of the loss, theft, or possible unauthorized use as soon as it is known to you in order to limit any potential loss. You will telephone us to report any such occurrence.

- 21. **Liability for Unauthorized Transactions:** Tell us at once if you believe your card has been lost or stolen. Telephoning is the best way of keeping your possible losses down. If you believe your card has been lost or stolen, and you tell us within 2 business days after you learn of the loss or theft, you can lose no more than \$50.00 if someone uses your card with our permission.

Contact us at:

Credit Card Security Department
PO Box 31112
Tampa, Florida 33631-3112
(800) 556-5678

If you do not tell us within 2 business days after you learn of the loss or theft of your card, and we can prove we could have stopped someone from using your card at a terminal without your permission if you had told us, you could lose as much as \$500.00. Also, if your account statement shows transfers that you did not make, tell us at once. If you do not tell us within 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If we determine that you had good reason for not notifying us, extend the time periods. You will be liable for any losses when your own negligence was a substantial cause of the loss. You will be considered negligent only if you do one of the following: A. write your Personal Identification Number (PIN) on your card, B. keep your PIN with your card. C. voluntarily permit another person to have access to your card and PIN, if that person makes or causes an unauthorized use.

- 22. **Account Information Disclosure:** We will disclose information to third parties about your account or the transactions you make: A. where it is necessary for completing the transaction. B. In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant. C. In order to comply with government agency orders, court orders, or other authorized legal process. D. If you give us written permission.

- 23. **Renewal, Revocation, and Termination:** Cards are issued with an expiration date. We have the right, without prior notice, to close or suspend your account, or to decline to renew your Card, for any reason. This includes using your Account in a manner not economically or otherwise acceptable to us. We also reserve the right to close your Account if you move from our service area. Even though your card is suspended or terminated, you agree that your obligations and our rights under this agreement will remain in effect until all balances on your account incurred before or after suspension or termination are paid in full.

- 24. **Disputes:** You agree to accept monthly statements we mail you as being correct unless you notify us in writing of any alleged errors within the time period prescribed by law. Your rights to dispute billing errors are set forth later in this brochure under the heading of "Billing Rights". Even though an amount is in dispute, you understand that you must pay the required minimum payment that is due less that portion attributable to the disputed amount.

**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. This pertains to our processing of your VISA payments, purchases, and cash advance transactions.

**NOTIFY THE CREDIT UNION IN CASE OF ERRORS
OR QUESTIONS ABOUT YOUR STATEMENT**

Call or write the Credit Union at:

Tahquamenon Area Credit Union
South Newberry Avenue
PO Box 485
Newberry, MI 49868
(906) 293-5117

As soon as you can if you think your periodic statement is wrong, or you need more information about a transaction listed on the periodic statement, in order to ascertain an error. We must hear from you no later than 60 days after we sent you the first periodic statement on which the problem or error appeared. You must:

- A. Give us your name and your account number.
- B. Describe the error on or the transaction you are not sure about and explain as clearly as you can why you believe it is an error or why you need more information.
- C. Give us the dollar amount of the suspected error. If you give us oral notice, you will be required to send complaint or question in writing within 10 business days.

We will investigate the matter and tell you the results of our investigation within 10 business days after we hear from you and will correct any error promptly. If we need more time however, we may take up to 45 days to investigate your complaint or question.

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 still are obligated to pay the parts of your bill that are not in question. If we determine that there was no error, we will send you a written explanation within 3 business days after we complete our investigation.

You may ask for copies of the documents we used in our investigation. If we didn't make any mistakes, you will have to pay any finance charges that may have accrued and also make up any missed payments.

If we fail to follow these rules, we can't collect the first \$50.00 of the questioned amount even if your statement was correct.

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 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 100 miles within your current mailing address; and
2. The purchase prices 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.

Regulatory Authority: These disclosures are required to be provided to you by state and federal laws governing these type of transactions. If you have a question about your rights under these laws or you believe that your legal rights have been violated, you may contact either of the following agencies:

FINANCIAL INSTITUTIONS BUREAU
Department of Consumer & Industry Service
Credit Union Division
PO Box 30224
Lansing, MI 48909

NATIONAL CREDIT UNION ADMINISTRATION
422 Naperville Road, Suite 125
Lisle, Illinois 60532

**TAHQAMENON AREA
CREDIT UNION**

NEWBERRY
South Newberry Avenue
P.O. Box 485
Newberry, MI 49868
(906) 293-5117

PARADISE
7960 North M-123
P.O. Box 194
Paradise, MI 49786
(906) 492-3555

ENGADINE
North 6747 M-117
P.O. Box 220
Engadine, MI 49827
(906) 477-9932

RUDYARD
18829 South Mackinac Trail
P.O. Box 537
Rudyard, MI 49780

PICKFORD
115 East Harold Street
P.O. Box 211
Pickford, MI 49774

TERMS & CONDITIONS

