CLASSIC MASTERCARD®, PLATINUM MASTERCARD, PRESTIGE MASTERCARD, AND SHARE SECURED MASTERCARD DISCLOSURE

This Agreement and Disclosure Statement covers your MasterCard Account (Account) with us. In this Agreement, the words "you" and "your" mean any user of your Account. "We," "our", and "us" mean Cabrillo Credit Union, the card issuer. In this Agreement, any plural term shall be deemed singular and any singular term shall be deemed plural when context and construction so require. If you sign an application for a MasterCard under this Agreement or sign or use any MasterCard(s) issued, or use or allow others to use your Account, you agree to all of the following terms and conditions.

- 1. General. You may use your Account to buy goods and services any place it is honored. You may also use your Account to get a cash advance. You agree to follow all procedures required by us or any merchant which honors your Account. You may not use your Card to initiate any type of Internet gambling or use the Card for any unlawful purpose or transaction. 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.
- 2. Liability. If the Account is issued to you and others as a joint account, each use of your Account shall be an extension of credit to all, and each of you shall be jointly and severally liable. If you allow anyone else to use your Account, you will be liable for all credit extended to such persons. You will be liable for all actual, implied, or apparent authorized use of your Account.
- **3. Promise to Pay.** You promise to pay us any and all amounts borrowed under this Agreement, plus any finance charge or other amounts due. You agree to pay us on or before the due date shown on your monthly statement.
- 4. Monthly Statements. Each month we will send you a statement showing any purchases, cash advances, and payments or credits made to your Account during that billing cycle, as well as your new balance. You may elect to receive your statements electronically, versus via mail. Your statement will identify also the Minimum Payment you must make for that billing period and the date it is due. You may pay in full for all of your purchases and cash advances each month, or you may repay in monthly installments.
- **5. Finance Charges/Rate** For all credit cards, your rate depends on your creditworthiness. The rate is calculated on the average daily balance. The total finance charge shown on your monthly statement consists of the finance charge on purchases plus the finance charge on cash or overdraft advances. Please see the attached disclosure for your specific rate and monthly periodic rate.

Classic MasterCard. The rate is established upon receipt of your application and will be between 13.9% - 17.9% APR.

Prestige MasterCard. The rate is established upon receipt of your application and will be between 12.9% - 15.4% APR.

Share Secured MasterCard. The rate on this card is 11% APR.

Platinum MasterCard. The rate on this card is 9.9% APR.

Penalty Rate: For all credit card types, the Annual Percentage Rate will increase to a Penalty Rate of 18% (.015 Monthly Periodic Rate) if your required minimum payment has not been made after its due date for two consecutive billing cycles. The Penalty Rate shall be effective on the first day of the next billing cycle for all balances. Once the penalty rate goes into effect, it will remain in effect until you have made six consecutive on-time payments. Once you have made six consecutive on-time payments, the rate will go back to the Annual Percentage Rate in effect as of the date the Annual Percentage Rate was increased to the Penalty Rate as of the beginning of the next billing cycle.

- **6.** How to Avoid Paying Interest: You may avoid paying interest on purchases when you make a full pay-off within 25 days of the purchase(s). Interest on cash advances and courtesy checks begins accruing immediately.
- 7. Balance Subject To Finance Charge. Each daily balance of Advances is determined by adding the outstanding unpaid balance of Advances at the beginning of the billing cycle to any new Advances posted to your account, and subtracting any payments as received or credits as posted to your account, but excluding any unpaid Finance Charges. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of 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. There is a 25 day grace period on purchases.
- 8. Finance Charge Calculation Methods applicable to your account for Cash Advances, Overdraft Advances and Credit Purchases of goods and services that you obtain through the use of your MasterCard are as follows: Cash & Overdraft Advances - A Finance Charge will be imposed on Cash Advances and Overdraft Advances from the date the Advances are posted to your account, and will continue to accrue on the unpaid average daily balance of such Advances until the date of payment. The Finance Charge for a billing cycle is computed by applying the monthly periodic rate to the average daily balances of Advances, which is determined by dividing the sum of the daily balances by the number of days in the billing cycle. You may receive an advance against your MasterCard at the Credit Union. Cash advances of up to \$500 may be made at an Automated Teller Machine (ATM). Other financial institutions honoring a cash advance request may also charge a fee at the time of advance. This fee is in addition to the finance charge of your Credit Union.
- 9. Minimum Payments. If you pay your Account in installments, the minimum periodic payment will be 3% of the unpaid balance, or \$15, whichever is greater. Balances under \$15 must be paid in full. The "Minimum Payment" as shown on your statement includes the minimum payment due on your new balance plus any amounts past due. If you exceed your credit limit, the minimum amount due will be 3% of the outstanding balance, plus any amount which is over the credit limit. The required payment due by the date shown on your statement will be the "Minimum Payment." If you elect to pay your account in installments, the minimum periodic payment will be shown

on the front of your statement. If you make a payment in excess of the required minimum periodic payment, the excess amount will be applied to balances in descending order, from the highest to the lowest APR.

- 10. Entire Balance Due. If you miss a payment, or if you break any other promise you have made under this Agreement, we may declare your entire balance due and payable at once without notice of demand. We may also do this if you have made any misrepresentations to us in applying for credit, or if anything happens that indicates to us that you may be unable or unwilling to repay the loans made under this Agreement.
- **11. Delinquency.** When any account is 30 or more days delinquent, and you have made no attempt to contact us to make agreeable arrangements for payment, all authorizations will be denied.
- 12. Attorney's Fees and Costs. If we are forced to take collection action, or any other legal action under this Agreement, you agree to pay all court and collection costs, reasonable Attorney's fees, and all similar costs on appeal.
- **13.** The ANNUAL PERCENTAGE RATE (APR) set forth in the MasterCard Disclosure Agreement shall continue to apply to the principal outstanding after breach.
- 14. Credit Limit. From time to time, we may adjust your maximum credit limit. Your credit limit is identified each month on your statement. You agree to keep the total of purchases and advances made on your Account within that limit.

15. Other Charges

- a. Annual Fee. There is no annual fee with your Classic MasterCard, Share Secured MasterCard or Platinum MasterCard. The annual fee for your Prestige MasterCard is \$35. The annual fee for your Alliance MasterCard is \$10.
- **b. Lost or Stolen MasterCard.** You agree to notify us promptly, orally or in writing, if your MasterCard is lost or stolen. You may send notice to the address or call us at the telephone number listed on each billing statement. You may be responsible for up to a maximum of \$50 for any unauthorized use of your MasterCard before we receive notice of its loss or theft.
- c. Late Fee. If the required Minimum Payment, is not received within 10 days after the Payment Due Date, a late payment charge of \$10 will be imposed and will be added to the total NEW BALANCE for that billing cycle.
- **d. Return Check/ACH Fee.** If a payment on your Cabrillo MasterCard is made and returned unpaid, a \$20 fee will be assessed to the credit card account and will be added to the total NEW BALANCE for that billing cycle.
- **16.** Changes of Address. If you move, you must give us your new address so we may change our records. You agree to notify us in writing, or via Home Banking.

17. Photocopying Charges. You may be assessed an hourly charge, and a photocopy fee for any research that you request on your Account when the result of the research does not show any erroneous billing as defined by Regulation Z of the Federal Truth-In Lending Act.

- 18. Cancelling This Agreement. Any MasterCard(s) issued to you under this Agreement is/are our property. We may terminate this Agreement if you break any of your promises, or you are in default, or for any reason. You agree to return the MasterCard(s) to us and pay your outstanding balance in full. We may pick up your MasterCard(s) at any time after this Agreement is terminated or you are in default. You may terminate this Agreement by returning your MasterCard(s) to us and paying the outstanding balance of your account in full.
- **19. Questions and Billing Errors.** Please let us know right away if you have any questions about your monthly statement. If you think we have made a mistake in your statement, please read the Billing Error Statement in this disclosure. This tells you your right to dispute billing errors.

20. No Overlimit Service Charge.

21. Our Liability. If we do not complete a transfer from your savings or checking account to your MasterCard on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages.

However, there are some exceptions. We will not be liable, for instance:

- a. If circumstances beyond our control (such as fire or flood)
 prevent the transfer, despite reasonable precautions we have
 taken
- b. If the third party originating the deposit either fails to generate the deposit or fails to generate it in the correct amount or on time
- **c.** If, through no fault of ours, you do not have enough money in your account to make the transfer.
- **22.** Credit Bureau Reporting. A negative credit report may be submitted to a credit reporting agency if you fail to fulfill your credit obligations.
- 23. Change in Agreement Terms. By your signature on your Account application, or by your signature on, or use of your MasterCard(s) or Account, you consent that we may change the terms of this Agreement. Notice of these changes will be sent to you as required by law. These changes will apply to your new purchases and advances and to any outstanding balance. We will mail notice of such changes to you at your address shown on your records.

KEEP THIS NOTICE FOR FUTURE USE - THIS CONTAINS IMPORTANT INFORMATION ABOUT YOUR RIGHTS AND OUR RESPONSIBILITIES UNDER THE FAIR CREDIT BILLING ACT

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:
Cabrillo Credit Union
10075 Carroll Canyon Rd.
San Diego, CA 92131

You may also contact us on the Web: at www.cabrillocu.com. 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:

- 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.
- Within 90 days of receiving your letter, we must either correct the error or explain to you why we believe the bill is 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: Cabrillo Credit Union 10075 Carroll Canyon Rd. San Diego, CA 92131

You may also contact us on the Web: at www.cabrillocu.com. 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.

24. Foreign Currency Transactions. If you effect a transaction with your MasterCard in a currency other than U.S. Dollars. MasterCard International Incorporated will convert the charge into a U.S. Dollar amount. MasterCard International will use its currency conversion procedure, which is disclosed to institutions that issue MasterCard® cards. Currently the currency conversion rate used by MasterCard International to determine the transaction amount in U.S. Dollars for such transactions is generally either a government mandated rate or a wholesale rate determined by MasterCard International for the processing cycle in which the transaction is processed, increased by an adjustment from time to time by MasterCard International. The currency conversion rate used by MasterCard International on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date. There is a 1% fee for each foreign currency transaction.

- **25. Your Liability.** Tell us at once if you believe your MasterCard has been lost or stolen. Telephoning us is the best way to limit your possible losses. You may have \$0 liability if:
- You exercised reasonable care in safeguarding the card from risk of loss or theft
- **b.** You have not reported two or more incidents of unauthorized use within the preceding 12 months.
- **c.** Your account is in good standing
- **26. Security Interest.** If you have a share secured credit card, you may not withdraw amounts that have been specifically pledged to secure your account until Cabrillo Credit Union agrees to release all or part of the pledged amount. The credit union secures the amount of 25% more than your approved credit limit. Your account may also be secured by all other shares you have in an individual or joint Cabrillo accounts, as allowed by law. If you are delinquent or in default, we may apply funds in your shares to your account.

MasterCard ATM Access Card Agreement and Disclosure

Your MasterCard will function as an Automated Teller Machine (ATM) access card.

The Agreement and Disclosure governs the use of your Cabrillo MasterCard ATM access card in the Cirrus ATM network. You agree to be bound by this agreement if you use, or allow others to use, your MasterCard at any ATMs.

PLEASE READ AGREEMENT AND RETAIN IT FOR YOUR RECORDS

- 1. Rules for Use. By use of your MasterCard ATM access card with your personal identification number (PIN) in an ATM, you authorize us to make a cash advance on your MasterCard. The ATM service shall be subject to service charges in accordance with the rate schedules adopted by us from time to time. The use of the MasterCard ATM access card is subject to other terms, conditions, and requirements as we may establish from time to time. All MasterCard ATM access cards are nontransferable and belong to us. We may cancel, modify, and restrict the use of any MasterCard ATM access card upon proper notice or without notice if your account is overlimit or where necessary to maintain or restore security of your accounts or the ATM system.
- **2.** You may use your MasterCard ATM access card to advance cash only from your MasterCard account.

3. Limitations on Transfers

- a. When the ATMs are on line, you can withdraw cash up to a maximum of \$500, depending on your account with us, or the balance in your accounts, whichever is less, every 24-hour period
- b. When the ATMs are not on line, cash withdrawals are limited to \$100 within any 24- hour period.
- c. When the system is down the member may experience limitations to charges based on previous information available in the system.

- 4. Receipts and Statements. You may request an acknowledgment at the time you make any transaction using one of the ATMs. You should retain a copy of the acknowledgment so that you can compare it with your statement. You may elect to receive your monthly statements electronically. If you choose to receive your statement electronically you will no longer receive a paper statement. By agreeing to receive your statements electronically, you permit the credit union to send all legally required disclosures/notices electronically. Electronic statements can be viewed via eBranch.
- **5. Your Liability.** Tell us at once if you believe your MasterCard ATM access card or PIN has been lost or stolen. Telephoning is the best way to limit your possible losses. If you tell us within two (2) business days, you are liable for no more than \$50 if someone used your MasterCard ATM access card without your permission.

If you do not tell us within two (2) business days after you learn of the loss or theft of your MasterCard ATM access card, and we can prove we could have stopped someone from using your MasterCard ATM access card without your permission if you had told us, you could be liable for as much as \$500.

Also, if your statement shows transactions that you did not make, tell us at once. If you do not tell us within 60 days after the statement was mailed to you, you may not recover any money lost after the 60 days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a valid reason kept you from telling us, we may extend the time periods.

- 6. If you believe your MasterCard ATM access card has been lost or stolen or that someone has transferred or may transfer money from your accounts without your permission, call or write us at the address listed at the end of this form.
- **7. Our Liability.** If we do not complete a transaction to or from your account on time, or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:
- a. If the transaction would go over your credit limit or the withdrawal limit of your MasterCard ATM access card
- **b**. If the ATM where you are making the transaction does not have enough cash
- If the ATM or system was not working properly and you knew about the breakdown when you started the transaction
- d. If circumstances beyond our control (such as fire, flood or vandalism) prevent the transaction. despite reasonable precautions that we have taken
- e. If your MasterCard ATM access card has been reported stolen or lost, has expired, is damaged so that the machine cannot read the encoding strip, is inactivated due to non-use, or because your PIN has been repeatedly entered incorrectly.
- **8. Account Information Disclosure.** We will disclose information to third parties about your account or the transfers you make:
- a. Where it is necessary for completing transfers, or
- **b.** in order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or

- c. in order to comply with government agency or court orders, or
- **d.** if you give us your written permission.
- 9. In Case of Errors Or Questions. About Your MasterCard ATM access card transaction, telephone us as soon as you can and then write us at the address listed at the end of this form.

If you think your statement or receipt is wrong or if you need more information about a transaction listed on the statement or receipt, we must hear from you no later than 60 days after we sent the first statement on which the problem or error appeared.

- a. Tell us your name and account number
- **b.** Describe the error or the transaction you are unsure about, and explain as clearly as you can why you believe it is an error or why you need more information
- **c.** Tell us the dollar amount of the suspected error

If you tell us orally, we may require that you send us your complaint or question in writing within 10 business days. We will tell you the results of our investigation within 60 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.

If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you can have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account. If we decide that there was no error, we will send you a written explanation within 3 business days after we finish our investigation. You may request copies of the documents we used in our investigation, for a fee.

- **10. Business Days.** Our business days are Monday through Friday. Holidays are not included.
- 11. ATM Fees and Charges. There is no fee to use your Cabrillo MasterCard at any Cirrus ATM or ATM which accepts MasterCard. However, all ATM withdrawals are considered cash advances.

MasterCard® Disclosure



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