

# VISA® Credit Card Disclosure and Agreement.

PLEASE RETAIN THIS INFORMATION WITH OTHER FINANCIAL DOCUMENTS.

This Agreement covers each VISA Account "Account" you have with us. It also covers the use of your PEFCU Credit Card Convenience Checks "Convenience Checks" in connection with an Account. The words "you" and "your" mean each and all of those who sign this Agreement. "Card" means a VISA credit card and any duplicates and renewals the Credit Union issues. "Account" means your VISA credit card line of credit account with the Credit Union. "Credit Union" means the Purdue Employees Federal Credit Union, whose name appears on the application, agreement and credit disclosure statement/Agreement. By requesting, signing, using or keeping your card and/or Convenience Checks, you are agreeing to all the terms and conditions of this document including the right to cross collateralization and the granting of a security interest.

**1. Using the Account.** When you are approved for a VISA Account, the Credit Union establishes a line of credit for you and notifies you of its amount when the Card is sent to you. In order for it to be valid, you must sign your Card as soon as you receive it. By requesting, signing, using or keeping your Card and/or Convenience Checks, you accept this Agreement. You also accept this Agreement by using your Card or Convenience Checks. You agree not to let your Account balance exceed your approved credit limit. Each payment you make on the Account will restore your credit limit by the amount of the payment which is applied to the principal amount of purchases and cash advances. You may request an increase in your credit limit only by submitting an application which is approved by the Credit Union. The Credit Union has the right to reduce or terminate your credit limit at any time.

**2. Using the Card.** You may use the Card issued to you to make purchases in person, by mail, telephone, and Internet from merchants and others who accept VISA cards. In addition, you may obtain cash advances from the Credit Union, from other financial institutions participating in the VISA program, and from selected Automated Teller Machines (ATMs), such as VISA ATM Network, that provide access to the VISA system. (Not all ATMs provide such access.) You will need to use your Personal Identification Number (PIN) to obtain a cash advance from an ATM. A VISA card may not be used for any illegal transaction.

**3. Using Convenience Checks.** We may supply you with Convenience Checks from time to time. You may use these checks to obtain a loan through your Account. A Convenience Check drawn on your Account is a loan from the Credit Union to you, and you will owe us for the amount of the Convenience Check, plus the applicable Finance Charge from the date of the transaction.

**4. Overdraft Protection.** If you have requested that your Account be used to provide Overdraft Protection for a Checking Account maintained with the Credit Union, "Checking Account", funds may be transferred from your VISA Account to the Checking Account in accordance with the Customer Agreement for Depository Accounts governing the Checking Account. All funds will be transferred in increments of \$100 and are processed as a cash advance under this Agreement and treated as such. Such transfers are loans by us to you, and you will owe the Credit Union for the amount of such transfers, plus the applicable Finance Charge. You understand that anyone who is authorized to make withdrawals from the Checking Account may access your VISA Account through Overdraft Protection.

**5. Responsibility.** You agree to pay all charges (purchases, transfers and cash advances) to your Account made by you or anyone who you authorized to use your Account. Your obligation to pay the amount owed on your Account continues until paid in full, even though an Agreement, divorce decree or other court judgment to which the Credit Union is not a party may direct someone else to pay the Account balance. If more than one person signs this Agreement, each is individually responsible for all amounts owed on the Account and all are jointly responsible for all amounts owed. This means the Credit Union can enforce this Agreement against any of you individually or all of you together.

**6. Making Payments.** You promise to pay all amounts you owe on your Account, including any Finance or Late Charges. When you receive your billing statement, you may pay the full amount due or a lesser amount, but the least you may pay is the "minimum payment" amount shown on your billing statement. Your minimum payment will be any amount past due, or overlimit plus the larger of 3% of your new balance or \$20.00. If we elect not to require a minimum monthly payment at any time, the Finance Charge on your Account will continue to accrue at the Annual Percentage Rate. Whatever you choose to pay, your payment must reach us no later than the "payment due date" shown on your statement.

**7. Finance Charges.** The Annual Percentage Rate is an interest rate set by the Credit Union and the Credit Union may change this rate from time to time.

Separate Finance Charges for purchases and cash advances are determined by multiplying the periodic rate by the separate average daily balance for purchases and cash advances. Each average daily balance is determined by taking the beginning balance (of cash advances or purchases) in your Account each day, adding any new purchases or cash advances (whichever is applicable) and subtracting any payments or credits. The results are the daily balances. All the daily balances for the statement cycle are added and the total is divided by the number of days in the statement cycle to arrive at the average daily balance for the cycle. Cash advances are always subject to Finance Charge from the date they are posted to your Account. If a grace period applies:

(a) Purchases. A Finance Charge will be imposed on purchases posted during a Billing Cycle when the Previous Balance is not paid in full within the first 25 days of the Billing

Cycle. A Finance Charge will also be imposed on Purchases included in the new balance when the new balance is not paid in full within 25 days after the statement date.

(b) **Cash Advances.** A Finance Charge will be imposed on Cash Advances from the date of the transaction to the date paid. The Finance Charge accrued on Cash Advances will appear on your next statement. There is no time period which to pay to avoid the Finance Charge on Cash Advances.

(c) **Balance Transfers.** Balance Transfers will be processed as a Cash Advance and a Finance Charge will be imposed from the date of the transaction to the date paid. The Finance Charge accrued on Balance Transfers will appear on your next statement. There is no time period which to pay to avoid the Finance Charge on Cash Advances. We are not responsible for late payment or non-payment to other card issuers.

**8. Monthly Payment.** Each month you must pay at least the minimum payment shown on your statement by the date specified on your monthly statement. 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. Your minimum payment required each month is disclosed on the "Credit Disclosures" under "Minimum Monthly Payment". In addition, anytime your Total New Balance exceeds your credit limit, you must immediately pay the amount over your credit limit.

**9. Payment Allocation.** Subject to applicable law, your payment may be applied to what you owe the Credit Union in the following order: Fees and Finance Charges, Cash Balance, and Purchase Balance.

**10. Security Interest.** You agree this loan is also secured by all the shares and deposits in all your individual and joint accounts with the Credit Union now and in the future. 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 give in your shares and deposits. Property you have given to secure other loans will also secure this loan.

**11. 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 applications or credit update. You will also be in default if something happens which the Credit Union believes may substantially reduce your ability to repay what you owe. When you are in default, the Credit Union has the right to demand immediate payment of your full Account balance without notice. If immediate payment is demanded, you will continue to pay a Finance Charge, at the periodic rate charged before default, until what you owe has been paid, and any collateral that is given as security will be applied toward what you owe or sold pursuant to law. To the extent permitted by law, you will also be required to pay the Credit Union's collection expenses, including court costs and reasonable attorney's fees.

**12. Liability for Unauthorized Use.** Your PEFCU VISA offers "zero liability" for unauthorized use. To obtain the "zero liability" status you must report any unauthorized use of your Account immediately.

**13. Lost Card Notification.** If you believe your credit card has been lost or stolen, inform the Credit Union immediately. Notify the Credit Union in writing or by calling (800) 627-3328.

**14. Changing or Terminating Your Account.** The Credit Union may change the terms of this Agreement from time to time after giving you advance notice as required by law. Your use of the Card after receiving notice of a change will indicate your Agreement to the change. To the extent the law permits, and indicated in the notice to you, the change will apply to your existing Account balance as well as to future transactions. Either you or the Credit Union may terminate this Agreement at anytime, but termination by you or the Credit Union will not affect your obligation to pay the Account balance plus any Finance Charges and other charges you owe under this Agreement. The 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.

**15. 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 standing.

**16. Returns and Adjustments.** Merchants and others who honor the card may give credit for returns or adjustments, and they will do so by sending the Credit Union an electronic credit which will be posted to your Account. If your credits and payments exceed what you owe the Credit Union, the amount will be credited to your share account. Any outstanding credits will be credited to your share account after three months.

**17. 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 made in accordance with the operating regulations for international transactions established by VISA U.S.A. The conversion rate to U.S. dollars 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, in each instance, plus or minus any adjustment determined by the Issuer.

**18. Merchant Disputes.** The Credit Union is not responsible for the refusal of any merchant or financial institution to honor the Card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the Card.

**19. 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. You agree to all the terms and charges contained in this Agreement.

**20. No Waiver.** The Credit Union can delay enforcing any of its rights any number of times without losing these rights.

**21. Statements and Notices.** You will receive a statement each month showing transactions on your Account. Statements and notices will be provided to you at your physical or electronic address (whichever method you prefer). Notice sent to any one of you will be considered a notice to all. It is your responsibility to notify the Credit Union upon a change of address – electronic email or postal mail.

**22. Other Fees and Charges.** Other fees and charges that will be added are as shown below.

(a) A late charge in the amount of \$25 will be imposed on any minimum payment not posted to your Account as of the date of your next Billing Cycle (the “statement date” shown on your next billing statement).

(b) For any day during the Billing Cycle your Account balance exceeds your approved credit limit the Credit Union will assess a monthly over the limit fee of \$20.

(c) A fee of \$25 may be charged and collected if you (i) make a payment on your Account with a check, draft, negotiable order of withdrawal, or similar instrument drawn on a depository institution and such instrument is not paid or is dishonored by that financial institution; or (ii) issue a Convenience Check for which there are not sufficient available funds on your Account.

The charges listed in (a) through (c) above will be charged to your Account on the billing statement for the Billing Cycle in which they are incurred. These fees will be treated by the Credit Union as an adjustment to the Account balance and will not be subject to a Finance Charge. However, we may choose to waive any of the charges described in this section from time to time.

**23. Copies of Documents.** You will be charged a \$3 fee for a copy of a monthly statement that you request from the Call Center or a teller. For a copy of an original sales slip requested from VISA, you will be charged their applicable fee.

**24. Personal Identification Number (PIN).** We will furnish you with a Personal Identification Number (PIN). You agree to keep the PIN confidential. You also agree that use of the PIN and VISA card to obtain a cash advance or make a purchase constitutes your signature for purposes of such transactions.

**25. Inactive Accounts.** Issued cards that are never activated will be closed after 90 days. Activated cards that have no activity for a period of 22 months will be deactivated and will not be re-issued.

## Your Billing Rights

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 as soon as possible on a separate sheet at the address listed on your bill. We must hear from you no later than sixty (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, account number, current address, and day-time telephone 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 information you are not sure about.
- If you are disputing a transaction, further information about the dispute will be requested in writing by the Credit Union. Contact the Credit Union for more details.

If you have authorized us to pay your credit card bill automatically from your savings or share draft account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three (3) 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 with a written notice within thirty (30) days, unless we have corrected the error by then. Within two Billing Cycles, but no later than ninety (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. 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 bill that are not in question.

If we find we made a mistake on your bill, 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, the date that it is due and copies of documents or evidence, if requested by you.

If you fail to pay the amount that you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten (10) 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. 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 resolved.

**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:

- (a) You must have made the purchase in your home state, if not within your home state within one hundred (100) miles of your correct mailing address.
- (b) The purchase price must have been more than \$50.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.



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This credit union is federally insured by the  
National Credit Union Administration.