



TRUE NORTH
FEDERAL CREDIT UNION

MasterCard Credit Card Agreement & Account Disclosures

This Credit Card Agreement (Agreement) and the Account Disclosures accompanying this Agreement will govern your MasterCard Credit Card and account issued by True North Federal Credit Union ("Credit Union"). In this Agreement the words "you," "your," "yours," "applicant," and "Borrowers" mean any person who signs the application for this Account, any joint obligor, guarantor, authorized user, or the person whose name is embossed on the Card. The words "we," "us," "our," and "Credit Union" mean True North Federal Credit Union. The word "Card" means any one or more credit cards issued under this Account. **If you sign an application for this Account or sign or use any Card or PIN, or allow others to use the Card or PIN, you and they will have accepted this Agreement just as if you and they signed it, and you and they, jointly and severally, will be bound by the following terms and conditions which govern this Account.**

1. YOU PROMISE TO PAY. You promise to pay us all amounts, plus any **Interest Charges**, which arise from use of the Card or Account by you or any other person, and to be jointly and severally liable with such a person, unless such other person does not have actual, implied, or apparent authority for such use, and you received no benefit from the use. You promise to pay us either by direct payment or by automatic transfers from your accounts.

2. PURCHASES, CASH AND BALANCE TRANSFERS. You must sign the Card to use it. Once you have signed the Card, you can use it to buy or lease goods, services, or insurance wherever the Card is honored, up to the full amount of your Credit Line. You may use your Account to get cash advances from us. You may also use your Card to get a cash advance at ATMs, our branch offices, and at participating financial institutions. You may transfer balances from your card account at another financial institution. Balance transfers will be posted and treated the same as cash advances. In addition, if approved you may obtain cash advances by overdrawing your account.

3. CREDIT LINE. If your application is approved by us, this Agreement will constitute a revolving line of credit for an amount which will be the Credit Line under your Account. We will advise you of the amount of your Credit Line. That amount will be the maximum amount you may have outstanding at any one time. We retain the right to increase or decrease your Credit Line at any time. Any increase or reduction in the amount of your Credit Line will be shown on your monthly statement or by separate notice together with any changes in the applicable Minimum Monthly Payments. Your eligibility for this Credit Line is determined by our loan policy and may be terminated at our sole discretion, without demand or notice. You may close your Credit Line at any time by notifying us in writing and returning all Cards cut in half. If you terminate this Agreement or if we terminate or suspend your credit privileges, the provisions of this Agreement and your liability hereunder shall otherwise remain in full force and effect until you have paid us all sums due us under this Agreement and returned all Cards.

4. MONTHLY PAYMENT. We will mail you a statement every month if your Account has a balance. You agree that you will pay each month not less than the minimum monthly payment on or before the scheduled monthly due date. The minimum monthly payment will be 2.0% of your outstanding balance ("New Balance") or \$25.00, whichever is greater. If your outstanding balance is \$25.00 or less, you agree to pay the balance in full. You may pay in full for all your purchases and cash advances each month, or you may repay in monthly installments. We can accept late payments or partial payments, or checks, drafts or money orders marked "payment in full" without prejudice to our rights under this Agreement, which are hereby explicitly reserved. A credit posting from a merchant or reversal of fees do not constitute a minimum payment. The minimum monthly payment may be allocated at our discretion to pay off lower rate balances, such as promotional offers, before higher rate balances, such as cash advances or purchases. Payments in excess of the minimum monthly payment will be allocated first to higher rate balances, as applicable. From time to time, we may allow you to skip your minimum monthly payment due. If you choose to skip that payment, **Interest Charges** will continue to accrue in accordance with this Agreement. Payments received at the remittance address shown on your statement at or before 6:00 PM Alaska Time on any business day will be credited to your Account as of that date; payments received by mail at that address after 6:00 PM Alaska Time, on a weekend or federal holiday will be posted to your Account as of the next business day. Payment crediting to your Account may be delayed up to five days if your payment is received by mail at any other address or not accompanied by the remittance portion of your Account statement.

5. SECURITY INTEREST/PLEDGE OF SHARES. To secure your Account, you grant us a purchase money security interest under the Uniform Commercial Code in any goods you purchase through your Account. If you default, we will have the right to recover any of these goods which have not been paid for through application of your payments. You agree Collateral securing other consumer loans with the Credit Union (except loans secured by real property) will also secure this Account. You also pledge all of your present and future shares and any earnings thereon as security for obligations under your account. You understand that if you default on your Account we may apply all that is pledged to your Account (IRA and Keogh accounts are excluded from the Pledge of Shares).

6. MONTHLY STATEMENTS. Each month, we will send you a statement showing new purchases, cash advances, balance transfers, payments, and credits made to your Account during the billing cycle, your Previous Balance, your "Total New Balance," any **Interest Charges**, and any other charges. Your statement also will identify the remaining credit limit available and the Minimum Monthly Payment you must make for that billing period and the date it is due. You agree to retain for statement verification copies of transaction slips



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resulting from each purchase, each advance, and other transactions on your Account. Unless you notify us of a billing error as described below, you accept your monthly statement as an accurate statement of your Account with us.

7. INTEREST CHARGES. The total outstanding balance of purchases, balance transfers and cash advances in the Account on the closing date of a billing cycle, including any **Interest Charges** will be shown on the Monthly Statement for that billing cycle as the “New Balance.”

(a) Cash/Overdraft Advances. An **Interest Charge** will be imposed on cash, balance transfers and overdraft advances from the advance posted to your account to the date paid. There is no time period within which to pay to avoid a periodic **Interest Charge** on cash, balance transfers and overdraft advances.

(b) Purchases. An **Interest Charge** will be imposed on the portion of purchases included in the New Balance that remains unpaid within 23 days after the closing date. This “grace period” allows you to avoid an **Interest Charge** on purchases for a billing cycle. However, if you do not pay the New Balance for purchases within the grace period, your **Interest Charge** will accrue on any unpaid purchase transactions from the date of purchase.

8. CALCULATING INTEREST CHARGES.

(a) Average Daily Balance. The **Interest Charge** imposed on purchases, balance transfers and cash advances with respect to a Billing Cycle will be determined by multiplying the Average Daily Balance of purchases, balance transfers and cash advances by a Periodic Rate. The Average Daily Balance for purchases, balance transfers and cash advances is calculated separately. We take the beginning balance of cash advances, balance transfers or purchases in your account each day, add any new cash advances, balance transfers and purchases (whichever are applicable) and subtract any payments or credits (and unpaid **Interest Charges**). This gives us the Daily Balance. Then we add up all the Daily Balances of cash advances and purchases for the billing cycle and divide the totals by the number of days in the billing cycle. This gives us the “Average Daily Balances” for purchases, balance transfers and cash advances. **Interest Charges** start to accrue on cash advances, balance transfers and purchases from the date the cash advance, balance transfers or purchase is posted to your Account, and your Account balance is reduced when the Credit Union receives your payment or enters a credit. However, a portion of your balance that is the result of purchases has a different treatment if you pay that entire portion by at least twenty-three (23) days after we send your billing statement. An **Interest Charge** will be imposed on the portion of purchases included in the New Balance that remains unpaid within 23 days after the closing date.

(b) Fixed Interest Rate. Your Account has a fixed Periodic Rate and corresponding Annual Percentage Rate.

Standard & Secured Card Rates. The Annual Percentage Rate(s) and corresponding Periodic Rate(s) that are used to compute the Interest Charge for your Account are based upon your credit qualification and are disclosed in the Disclosure with your Card and on your monthly billing statement. To determine the monthly Periodic Rate, we divide the Annual Percentage Rate by 12.

Introductory and Promotional Rates. The Credit Union may offer introductory and promotional Annual Percentage Rates from time to time. At the end of any introductory or promotional period, the standard Annual Percentage Rate applicable to your account will apply. The Annual Percentage Rate applicable to your account will be disclosed to you with your Card and shown on each monthly statement. The “Total Interest Charge” shown on your monthly statement consists of the periodic **Interest Charge** on purchases, the periodic **Interest Charge** on cash advances.

9. Fees and Charges. We may impose fees and charges on your Account as set forth below. The Credit Union reserves the right to assess other fees in the future. You will be notified of any new fees as required by law.

(a) Late Fee. You agree to pay a late fee of \$25.00 for each minimum payment not paid by payment due date.

(b) Returned Payment Fee. A \$20.00 fee will be assessed against your Account when a check submitted for payment on the Account is returned, regardless of the reason.

(c) Returned Item Fee. A \$20.00 fee will be assessed against your Account for each convenience check returned, regardless of the reason.

(d) Research and Copying Fees. We may charge you for research required if you request copies of any items or documents related to your Account. There is a \$3.00 charge for each statement copy you request and \$5.00 for any other request or transaction documents you request. If the request relates to a billing error and we determine that a billing error was made, any copying charges will be refunded.

(e) Card Replacement Fee. A \$5.00 charge will be assessed against your Account for each replacement Card you request.

(f) Card Recovery Fee. If you report your card lost or stolen and subsequently find the card, and before notifying us, you use the card, you agree to pay a \$65.00 fee for recovering your card, if captured.

(g) Foreign Transaction Fees. Purchases and cash advances made in foreign countries will be billed to you in U.S. dollars. The currency conversion rate for international transactions as established by MasterCard International, Inc., is a rate selected by MasterCard from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate MasterCard itself receives or the government-mandated rate in effect for the applicable central processing date. In addition you will be charged an International Transaction Fee of 2% of the transaction amount for any card transaction made in a foreign country. This fee will apply to any transaction with a merchant or institution located in a foreign country even if you originate the transaction from within the United States.

(h) ATM Surcharge Fees. If you use an ATM to obtain a cash advance and the ATM is not operated by us, you may be charged an ATM surcharge by the ATM operator or an ATM network utilized for such a transaction. The ATM surcharge may be charged to your account if you complete the transaction.



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10. CONDITIONS OF CARD USE. The use of your Card and Account are subject to the following conditions:

(a) Authorized Card Use. If you authorize anyone to use your Card in any manner, that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying the Credit Union immediately. You are responsible for any transactions made by such persons until you notify us that transactions and access by that person are no longer authorized and you return all cards issued to you. If you fail to maintain the security of the Card and the Credit Union suffers a loss, we may terminate your Card and account services immediately. You agree to notify us immediately of the loss, or the theft, or the use without your permission, of any Card or other credit instrument or device which we supply to you. You may be liable for any unauthorized use on the Account. You understand and agree that unauthorized use means the use of the card by someone other than you.

(b) Ownership of Cards. Any Card or other credit instrument or device which we supply to you is our property and must be returned to us, or to any person whom we authorize to act as our agent, or to any person who is authorized to honor the Card, immediately according to instructions. The Card may be repossessed at any time in our sole discretion without demand or notice. You cannot transfer your Card or Account to another person.

(c) Honoring the Card. Neither we nor merchants authorized to honor the Card will be responsible for the failure or refusal to honor the Card or any other credit instrument or device we supply to you. If a merchant agrees to give you a refund or adjustment, you agree to accept a credit to your Account in lieu of a cash refund. You may not use the card for any illegal or unlawful transactions and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness.

(d) Notices and Payments. All notices will be sent to your address as shown in the application. You agree to advise us promptly if you change your mailing address. All payments should be mailed to us at the remittance address shown on your monthly statements. Payments received at that address will be credited to your Account as of the date received.

(e) Personal Identification Number (PIN). You will be required to select a Personal Identification Number ("PIN") for use with your Card in accessing your line of credit at automatic teller machines ("ATM's"), these numbers are issued to you for your security purposes. These numbers are confidential and should not be disclosed to third parties. You are responsible for safekeeping your PIN. You agree not to disclose or otherwise make available your PIN to anyone not authorized to sign on your Accounts. To keep your Account secure, please do not write your PIN on your Card or keep it in the same place as your Card. If you authorize anyone to use your PIN in any manner that authority will be considered unlimited in amount and manner until you specifically revoke such authority by notifying us and changing your PIN immediately. You are responsible for any transactions made by such person until you notify us that transaction and access by that person are no longer authorized and your PIN is changed. If you fail to maintain or change the security of your PIN and we suffer a loss, we may terminate your card and account services immediately. PINs may be changed by calling the PIN Change Line at 877-267-6941.

11. LOSS OR THEFT OF CARD. You agree to notify us immediately, orally or in writing, at 2777 Postal Way Juneau, AK 99801, or telephone at the number on your card or 907.523.4700 of the loss, theft or unauthorized use of your Credit Card. If you notify us of your lost or stolen credit card after discovery, you may not be liable for any losses related to credit transactions. You may not be liable for an unauthorized transaction, as long as you have exercised reasonable care in safeguarding the Card from risk of loss or theft and upon becoming aware, you promptly report the loss or theft to us, otherwise your liability for unauthorized credit card transactions shall not exceed \$50.

12. DEFAULT. You will be in default under this Agreement if any of the following occur: (a) Any Minimum Monthly Payment is not made when due; (b) You become insolvent, bankrupt, or you die; (c) You violate any part of this Agreement, or any other agreement with us; or (d) if we reasonably deem ourselves insecure with respect to your Account. Upon default, we may declare the entire unpaid balance immediately due and payable, and you agree to pay that amount plus any applicable fees and costs. If you default on any part of this Agreement, you agree to pay us all costs to collect your Account, including court costs and reasonable attorney fees whether or not there is a lawsuit, and fees on any appeal and fees for bankruptcy proceedings, appeals, and any post judgment collection services, if applicable. These fee and costs may be added to your Account balance and will bear interest at the Interest Rate in effect at that time. We can delay enforcing any right under this Agreement without losing that right or any other right. We will notify you in writing of any such action as soon as practical if it occurs.

13. CREDIT INFORMATION/FINANCIAL STATEMENTS. You authorize us to release information to others (e.g., credit bureaus, merchants, and other financial institutions) regarding the status and history of your Credit Line. You agree to provide us, at any time we deem necessary, with a current financial statement and/or a new credit application upon request. We may investigate your credit directly or through a credit reporting agency.

14. GOVERNING LAW. This Agreement will not take effect until it is approved by us. This Agreement shall be governed by the laws of the State of Alaska. If any provision of this Agreement is held invalid, the remaining provisions that are severable shall remain in effect.

15. ACKNOWLEDGMENT AND AMENDMENTS. You understand and agree to the terms and conditions in this Agreement and the Fair Credit Billing Notice. You acknowledge that you have received a copy of this Agreement and Account Disclosures including the Fair Credit Billing Notice. We reserve the right to amend the terms of this Agreement at any time as permitted by and subject to any limitations and notice requirements of applicable law.



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16. BILLING ERRORS NOTICE. Your Billing Credit Card Billing Rights. Keep This Notice for Future Use.

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: 2777 Postal Way Juneau, AK 99801.

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. 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 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 at the above address. 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.



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17. Military Lending Disclosures. The following disclosures are provided and apply to the borrower who is a Covered Member as described below.

- (a) **Borrower Certification of Active Duty.** By requesting a Credit Card each borrower certifies to the Credit Union that borrower: (i) is a Covered member as a member of the Armed Forces who is currently serving on active duty (under a call or order not less than 30 days) Active Guard or Reserve duty; and (ii) borrower is the Covered Member or is a dependent of the Covered Member. Borrower(s) authorize the Credit Union to verify their status as a Covered Member or dependent by obtaining information from the database of the Department of Defense or from a consumer report obtained from a consumer reporting agency.
- (b) **Military Annual Percentage Rate.** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36%. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for a credit card account); and any participation fee charged (other than certain participation fees for a credit card account).
- (c) **Payment Obligation.** Your payment obligation under your Credit Card Account is set forth in Sec. 1 and 4 above in the Credit Card Agreement.
- (d) **Security Interest.** The Credit Union's security interest in all your Credit Union shares or deposits pursuant to the Credit Card Agreement will not apply your Credit Card Account. A security interest in shares or deposits granted in connection with any other credit card account, loan or line of credit does not secure the Credit Card Account identified above, in spite of any provision that collateral securing one loan secures all of your other Credit Union obligations. However, if you establish a deposit or share account specifically in connection with your Credit Card Account, funds deposited in that account after you establish the Credit Card Account are subject to our security interest as set forth above in the Credit Card Agreement.



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MasterCard Credit Card Account Disclosures

| INTEREST RATES AND INTEREST CHARGES | |
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| Annual Percentage Rate (APR) for Purchases | Standard Card - 9.90% - 12.50% When you open your account, the applicable APR is based on creditworthiness. Secured Card - 14.50% |
| APR for Cash Advances & Balance Transfers | Standard Card - 9.90% - 12.50% When you open your account, the applicable APR is based on creditworthiness. Secured Card - 14.50% |
| Paying Interest | Your due date is approximately 23 days after the close of each billing cycle. We will not charge any interest on the portion of the purchases balance that you pay by the due date each month. |
| For Credit Card Tips from the Consumer Financial Protection Bureau | To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau at http://www.consumerfinance.gov/learnmore |
| FEES | |
| Annual Fee | none |
| Transaction Fees • Foreign Transaction Fee | up to 2% of the US dollar amount of the foreign transaction |
| Penalty Fees • Late Payment Fee • Return Payment Fee • NSF Return Fee | \$25 \$20 \$20 |

How We Will Calculate Your Balance: We use a method called "average daily balance" (including new purchases).

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in your MasterCard Credit Card Agreement

These Account Disclosures for the MasterCard Credit Card are part of and integrated with your MasterCard Credit Card Agreement with True North Federal Credit Union. We reserve the right to amend the MasterCard Credit Card Agreement as permitted by law.