

MasterCard Agreement 10.8%- The People's Federal Credit Union

APPLICANT

TERMS USED IN THIS AGREEMENT: "You" and "your" mean any person who signs this Agreement or used the card. "The card" means any credit card issued to you or those designated by you under the terms of this Agreement. "Use of the card" means any procedure used by you, or someone authorized by you, to make a purchase or obtain a cash advance whether the purchase or advance is evidenced by a signed written document. "Unauthorized use of the card" means the use of the card by someone other than you who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit. If you have other loans with us, collateral securing such loans may also secure your obligations under this Agreement.

EXTENSIONS OF CREDIT: If your application is approved, the Credit Union may, at its discretion, establish a credit card account in your name and cause one or more cards to be issued to you or those designated by you. In such an event, you authorize the Credit Union to pay for your account, all items reflecting credit purchases and cash advances obtained through use of the card.

JOINT APPLICANT LIABILITY: If this Agreement is executed by more than one person, each of you shall be jointly and individually liable to us for all charges made to the account, including applicable fees. In addition, you agree that each of you designates the other as agent for the purpose of making purchases extended under this Agreement and each use of you account shall be an extension of credit to all. Notice to one of you shall constitute notice to all. Any joint cardholder may remove him/herself from responsibility for future purchases at any time by notifying us in writing. However, removal from the account does not release you from any liability already incurred.

OTHERS USING YOUR ACCOUNT: If you allow anyone else to use your Card, you will be liable for all credit extended to such persons. You promise to pay for all purchases, balance transfers, and cash advances made by anyone whom you authorize to use your Card, whether you notify us that he or she will be using it. If someone else is authorized to use your Card and you want to end that person's privilege, you must notify us in writing, and if he or she has a Card, you must return the Card with your written notice for it to be effective.

CREDIT LIMITS: You promise the payments made for your account resulting from use of the card will, at no time, cause the outstanding balance in your account to exceed your credit limit as disclosed to you at the time you received your card or as adjusted from time to time at the discretion of the Credit Union.

PROMISE TO PAY: You promise to repay the Credit Union all payments made to your account resulting from the use of the card plus a **FINANCE CHARGE** on the unpaid balance. At the end of each monthly billing cycle, you will be furnished with a periodic statement showing (i) the "previous balance" (the outstanding balance in the account at the beginning of the billing cycle), (ii) the amount of all cash advances, purchases and **FINANCE CHARGES** posted to your account during the billing cycle, (iii) the amount of all payments and credits posted to your account during the billing cycle, and (iv) the "new balance" which is the sum of (i) and (ii) less (iii). You agree to pay on or before the "payment due date" shown on the periodic statement either the entire "new balance," or a minimum payment equal to 3% of the

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"new balance," or \$18.00, whichever is greater. If the "new balance" is \$18.00 or less, you will pay in full.

COST OF CREDIT: You will pay a **FINANCE CHARGE** for all advances made against your account at the periodic rate of .029589% per day, which has a corresponding **ANNUAL PERCENTAGE RATE** of 10.80%.

Cash advances incur a **FINANCE CHARGE** from the date they are posted to the account. New purchases will not incur a **FINANCE CHARGE** on the date they are posted to the account if you have paid for the account in full by the due date shown on your previous monthly statement or if there was no previous balance. No additional **FINANCE CHARGE** will be incurred whenever you pay the account in full by the due date. The **FINANCE CHARGE** is figured by applying the periodic rate to the "balance subject to **FINANCE CHARGE**" which is the "average daily balance" of your account, including certain current transactions. The "average daily balance" is arrived at by taking the beginning balance of your account each day and adding any new cash advances, and, unless you pay your account in full by the due date shown on your previous monthly statement or there is no previous balance, adding in new purchases, and subtracting any payments or credits and unpaid **FINANCE CHARGES**. The daily balances for the billing cycle are then added together and divided by the number of days in the billing cycle. The result is the "average daily balance." The **FINANCE CHARGE** is determined by multiplying the "average daily balance" by the number of days in the billing cycle and applying the periodic rate to the product. You may pay any amount outstanding at any time without penalty for early payment.

OTHER CHARGES: In addition to any other rights the Credit Union has under this Agreement, if you make a purchase or obtain a cash advance which causes the outstanding balance in your account to exceed your credit limit, you may be charge an over-limit fee of \$15.00. If you do not pay your minimum payment within 10 days following your payment due date, you may be charged a late fee of \$15.00. If you obtain a cash advance by using an automated teller machine, you may be charged any amounts imposed upon the Credit Union by the owner or operator of the machine. Any charge made under this paragraph will be added to the balance of your account and treated as a purchase.

CREDIT INSURANCE: If available, credit insurance is not required for any extension of credit under this Agreement. However, you may purchase any credit insurance available through the Credit Union and have the premium added to the outstanding balance in your account. If you elect to do so, you will be given the necessary disclosures and documents separately.

US CURRENCY: If you make a purchase or cash advance in foreign currency the transaction will be converted into U.S. Dollars by MasterCard. Fees associated with conversion will be paid by the card holder.

LIABILITY FOR UNAUTHORIZED USE: You may be liable for the unauthorized use of your card. You will not be liable for unauthorized use that occurs after you notify the Credit Union (or Credit Union's designer) orally or in writing, of the loss, theft, or possible unauthorized use. In any case, your liability will not exceed \$50.

CREDITING OF PAYMENTS: Payment address: PO Box 4521, Carol Stream, IL. 60197-4521. Payments may also be made locally at The Peoples FCU. Payments received by 2: 00 PM CT time will be credited to your account for the current business day. **IF PAYMENT IS MADE AT ANY LOCATION OTHER THAN SAID DESIGNATED ADDRESS, A CREDIT FOR SUCH PAYMENT MAY BE DELAYED UP TO FIVE (5) DAYS.** Payments or credits will be applied first to any **FINANCE CHARGE** then due and the remainder to the unpaid balance.

SECURITY: As security for any advances made to you or on your behalf, you pledge to the Credit Union the designated shares or deposits set forth below which you maintain in any account at the Credit Union in which you have an interest. You authorize the Credit Union to take that money and apply it to what you owe if you are in default. The Credit Union may but does not have to allow you to withdraw a portion of your shares or deposits down to its security interest. You are not giving a security interest in any shares or deposits in any IRA, SEP, Koegh or any other account which, if pledged, would result in the loss of special tax treatment under the Internal Revenue Code.

ADDITIONAL SECURITY: If you have other loans with us, now or in the future, collateral securing those loans may also secure your obligations under this Agreement. Please read any security agreement you sign to determine if the collateral also secures your obligations under this Agreement and other agreements you have with us.

DEFAULT: You will be in default: (1) if you fail to make any payment on time; (2) if you fail to keep any promises you have made under this or any other Agreement with the Credit Union; (3) if you are the subject of an order for relief under Title 11 of the U.S. Code (Bankruptcy); (4) if anyone tries, by legal process, to take any of your money in the Credit Union; (5) if you have given the Credit Union false or inaccurate information in obtaining your card; or (6) if anything happens which the Credit Union reasonably believes endangers your ability to repay what you owe.

ACCELERATION: If you are in default, the Credit Union may call any amounts you still owe immediately due and payable plus **FINANCE CHARGES** which shall continue to accrue until the entire amount is paid. The card always remains the property of the Credit Union, and you agree to immediately surrender the Card upon demand of the Credit Union. You agree to pay all reasonable costs of collection, including court costs and attorney's fees, imposed, and any cost incurred in the recovery of the card.

CONTINUATION OF CREDIT: The Credit Union may from time-to-time request personal information from you for the purpose of updating your credit status, according to normal credit procedures. Your failure to provide such information when requested by the Credit Union may result in suspension of your

line of credit privileges under this Agreement, including your ability to obtain any future advances by any means.

ADDITIONAL PROVISIONS: Each provision of this Agreement must be considered as part of the total Agreement and cannot, in any way, be severed from it. However, you also agree that should any part of the Agreement be found invalid, it will in no way affect the remainder of the Agreement. You understand the validity; construction and enforcement of this Agreement shall be governed by the laws of the State of Texas and applicable federal law. The Credit Union does not warrant any merchandise or services purchased by you with the card. All purchases and cash advances are extended at the option of the merchant or cash advancing financial institution and the Credit Union is not responsible for refusal of any merchant or financial institution to honor your card.

CREDIT INFORMATION: You authorize the Credit Union to investigate your credit standing and employment history 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 credit standing.

NOTIFICATION ADDRESS FOR INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: We may report the status and payment history of your account to credit reporting agencies each month. If you believe that the information we have reported is inaccurate or incomplete, please notify us in writing at The People's Federal Credit Union, PO Box 9335, Amarillo, TX 79105. Please include your name, address, home telephone number and account number.

STATEMENTS AND NOTICES: Statements and notices will be mailed to you at the most recent address you have given the Credit Union. You agree to give us prompt notice of any change in your name, mailing address, telephone number or place of employment.

TERMINATION OR CHANGES: You may terminate this Agreement, by written notice, as to future advances at any time. Termination by either party shall not affect your obligation to repay any payments made to your account resulting from the use of the card as well as **FINANCE CHARGES** and other related charges.

The Credit Union has the right to change the terms of this Agreement, including the periodic rate, subject to such notice as may be required by applicable law. If you use your card to make a purchase or obtain a cash advance, after having been given notice of a change in terms, you agree that the existing balance in your account at the time of that use will be subject to the new terms, as shall subsequently uses.

By signing this Agreement and any other related documents or using the card, each person agrees to all the terms and conditions and promises to perform all the obligations, requirements and duties contained in this Agreement.

Applicant's Signature _____ Date _____

Joint Applicant's Signature _____ Date _____

Mother's Maiden Name _____
Print

Mother's Maiden Name _____
Print

*Mothers maiden name is a security code to your account. You will not be able to change or request information without this code. Failure to provide will require all requests to be in writing.

(The Credit Union will furnish a copy of this agreement to the borrower upon receipt of the signed agreement.)

MC#	Member Account#	Initials
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FOR CREDIT UNION USE ONLY