

Communities of Abilene Federal Credit Union
3661 N 6th Street• Abilene, Texas 79603
Toll Free (800) 535-2157

**CREDIT CARD AGREEMENT AND
DISCLOSURE STATEMENT FOR YOUR
MASTERCARD® CLASSIC AND
MASTERCARD® PLATINUM ACCOUNT**

Notice: Read and retain this copy of your Agreement and Truth in Lending Disclosure for future reference.

TERMS USED IN THIS AGREEMENT: The "Credit Union" means Communities of Abilene Federal Credit Union or its successors. This Agreement and Disclosure Statement covers your MasterCard® Account ("Account") shown above. In this Agreement, the words "you" and "your" mean any person who signs this Agreement or uses the Card. "We" "our" and "us" mean the credit union named above. 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 an advance whether or not the purchase or advance is evidenced by a signed written document. "Unauthorized use of the Card," means the use of your 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. In this Agreement, any plural terms shall be deemed singular and any singular terms shall be deemed plural when context and construction so require. If you have other loans with us, collateral securing such loans may also secure your obligations under this Agreement.

USING YOUR CARD: You may use your Card to make purchases from merchants and others who accept MasterCard. Some merchants require usage of pin-based transactions. 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. In addition, you may obtain cash advances from the Credit Union and from other financial institutions that accept MasterCard, and from some automated teller machines (ATM's). To obtain cash advances from an ATM, you must use the Personal Identification Number (PIN) that is issued to you for use with your Card. You agree that you will not use your Card for any transaction that is illegal under applicable federal, state, or local law.

EXTENSION OF CREDIT: If your application is approved, the Credit Union may, at our discretion, establish an Account in your name and cause one or more Cards to be issued to you or those designated by you. In such event, you authorize us to pay for your Account all items reflecting credit Card purchases, balance transfers, and cash advances obtained through use of the Card.

CONVENIENCE CHECKS: The Credit Union may, at its discretion, issue checks to you that may be used for any purpose other than making a payment for credit to your Account. Any check written by you will be considered a cash advance, even if it is used to make a purchase. By signing such check, you authorize the Credit Union to pay the item for the amount indicated. We do not have to pay any item,

which would cause the outstanding balance in your Account to exceed your credit limit. Charges that apply in connection with the use of Convenience Checks are as follows: Non-Sufficient Funds Check (NSF) \$25.00. Fees will be assessed at the time they are incurred.

CREDIT LIMITS: A credit limit is established for your Account. The credit limit and the amount of available credit are shown on each Periodic Statement. You may make purchases or obtain cash advances in excess of your credit limit. We can honor purchases or cash advances in excess of your credit limit. We can honor purchases or cash advances in excess of your credit limit at any time, but the decision is up to us. If we do so, this Agreement will cover those purchases and cash advances. We may change your credit limit at any time. You may request us to increase your credit limit, but we are not obligated to do so.

JOINT APPLICANT LIABILITY: If more than one person executes this Agreement, 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 your 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 or not 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.

PROMISE TO PAY: You promise to pay us in U.S. dollars for (a) all purchases, cash advances, and balance transfers made by you or anyone whom you authorize to use the Card or Account; (b) **FINANCE CHARGES** and other charges or fees; (c) collection costs and attorney's fees as permitted by applicable law, and any costs incurred in the recovery of the Card; and (d) credit in excess of your credit limit that we may extend to you. At the end of each monthly billing cycle for which you have a balance on your Account, 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, balance transfers, Late Charges, Annual Fees, **FINANCE CHARGES**, and other charges or fees 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) minus (iii).

You agree to pay on or before the Payment Due Date" shown on the monthly periodic statement. The entire New Balance or a Minimum Payment equal to an amount which is at least 3% of the New Balance or \$18.00, whichever is greater, plus any amount in excess of the credit limit established by us and any past due minimum payments. You agree to pay it in full. You may make extra payments in advance of the due date without a penalty, and you may repay any funds advanced, credit extended, or amount outstanding at any time without a penalty for early payment. Regardless of the amount of any extra payment during a given month, a monthly payment will be required the following month if a balance remains in your Account.

COST OF CREDIT: You will pay a **FINANCE CHARGE** for all advances made against your Account. **FINANCE CHARGES** for cash advances and balance transfers begin to accrue on the date of the advance. **FINANCE CHARGES** on new purchases begin to accrue on the date they are posted to your Account, except that no **FINANCE CHARGE** will accrue on new purchases from the date they are posted to your Account if you have paid your Account in full by the Payment Due Date shown on your previous statement if there was no previous balance. For any billing cycle immediately following one for which there is a balance that is not paid in full within 10 days following the close of the previous billing cycle. **FINANCE CHARGES** will accrue on new purchases from the date of the transaction and on previously billed but unpaid purchases from the beginning of the current billing cycle.

The method used to determine the balance on which the **FINANCE CHARGE** is calculated is the Average Daily Balance method (including new transactions). The **FINANCE CHARGE** is calculated by multiplying the Daily Periodic Rate by the Average Daily Balance and then multiplying the result by the number of days in the billing cycle. The MasterCard Secure Daily Periodic Rate used to compute the **FINANCE CHARGE** is .00027123%, which corresponds to an **ANNUAL PERCENTAGE RATE** of 9.9%. The MasterCard Gold Daily Periodic Rate used to compute the **FINANCE CHARGE** is .00027123%, which corresponds to an **ANNUAL PERCENTAGE RATE** of 9.9%. The MasterCard Platinum Daily Periodic Rate used to compute the **FINANCE CHARGE** is .00024383%, which corresponds to an **ANNUAL PERCENTAGE RATE** of 8.9%. The MasterCard Classic Daily Periodic Rate used to compute the **FINANCE CHARGE** is .00038082%, which corresponds to an **ANNUAL PERCENTAGE RATE** of 13.9%. The Average Daily Balance is determined by taking the beginning balance of your Account each day and the adding in new cash advances, balance transfers, and purchases, and subtracting any payments or credits and any unpaid **FINANCE CHARGES**. 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 billing cycle. This gives us the Average Daily Balance.

LIABILITY FOR UNAUTHORIZED USE: You may be liable for the unauthorized use of your Card. You will not be liable

for unauthorized use of your Card if you notify us orally or in writing at the Credit Card Center, PO Box 815909, Dallas, TX 75381-5909, and telephone number (800) 442-4757, of the loss, theft, or possible unauthorized use and you meet the following conditions:

1. You have exercised reasonable care with the Card.
2. You have not reported two or more incidents of unauthorized Card use within the previous 12 months.
3. You have maintained your Account in good standing.

The foregoing liability limitation does not apply to cash advances obtained at an ATM. In any case, your maximum liability for unauthorized use will not exceed \$50.00, and you will not be liable for any unauthorized use that occurs after you notify us (or our designee) at the address or telephone number above.

CREDITING OF PAYMENTS: All payments received by 5:00 p.m. Central Standard Time (during the Credit Union's designee's business day at the address designated on the periodic statement), will be credited to your Account as the date of receipt. **IF PAYMENT IS MADE AT ANY LOCATION OTHER THAN SAID DESIGNATED ADDRESS ON THE PERIODIC STATEMENT, CREDIT FOR SUCH PAYMENT MAY BE DELAYED UP TO FIVE (5) DAYS.** If the date of receipt is not a business day, your payment will be credited on the first business day following receipt. All payments on your Account will be applied first to collection costs, then to any **FINANCE CHARGE** and other fees due, and then to the unpaid principal balance. Interest paid or agreed to be paid shall not exceed the maximum amount permissible under applicable law, and in any contingency whatsoever, if we shall receive anything of value deemed interest under applicable law which would exceed the maximum amount of interest permissible under applicable law, the excessive interest shall be applied to the reduction of the unpaid principal amount or refunded to you.

LATE CHARGE: If a payment is 5 days or more past due, you will be charged a Late Charge of \$10.00.

RETURNED CHECK FEE: We will charge you a Returned Check Fee of \$25.00 each time you pay us with a check that is returned unpaid. We will charge you this fee the first time any payment is returned unpaid, even if it is paid upon resubmission.

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 us; (3) if you are the subject of an order of relief under Title 11 of the U.S. Code (Bankruptcy); (4) if anyone tries, by legal process, to take any of your money maintained with us; (5) if you have given us false or inaccurate information in obtaining your Card; *or* (6) if we reasonably believe that you are unable or unwilling to repay your obligations to us.

ACCELERATION: If you are in default, without notice to *you* we may accelerate your debt and call any amounts you owe immediately due and payable, plus **FINANCE CHARGES**.

Which shall continue to accrue until the entire amount is paid. You expressly waive any right to notice of our intention to accelerate and notice that your debt has been accelerated. The Card remains the property of the Credit Union at all times, and you agree to immediately surrender the Card upon demand of the Credit Union. You agree to pay all reasonable collection costs, including court costs and attorney's fees, imposed and any cost incurred in the recovery of the Card.

SECURITY: YOU SPECIFICALLY GRANT US A CONSENSUAL SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS YOU HAVE WITH US NOW AND IN THE FUTURE TO SECURE REPAYMENT OF CREDIT EXTENSIONS MADE UNDER THIS AGREEMENT. THE GRANTING OF THIS SECURITY INTEREST IS A CONDITION FOR THE ISSUANCE OF ANY CARD, WHICH YOU MAY USE, DIRECTLY OR INDIRECTLY, TO OBTAIN EXTENSIONS OF CREDIT UNDER THIS AGREEMENT. Shares and deposits in an Individual Retirement Account or 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 are giving. Collateral securing other loans with us may also secure payments for your Account under this Agreement

TERMINATION AND CHANGES: You may terminate this Agreement, by written notice, as to future advances at any time. We can terminate this Agreement at any time subject to such notice as may be required by applicable law. Termination by either party shall not affect your obligation to repay any payments made for your Account resulting from use of the Card as well as **FINANCE CHARGES** and other related charges. We may change the terms of this Agreement, including the periodic rate, at any time subject to such notice as may be required by applicable law. If you use your Card or Account to make a purchase or cash advance or balance transfer 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 subsequent uses.

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 address shown above in this Agreement. Please include your name, address, and home telephone number and Account number.

RECEIPT OF AND AGREEMENT TO TERMS AND CONDITIONS OF AGREEMENT: By using the Card, you agree to all the terms and conditions and promise to perform all the obligations, requirements, and duties

contained in this Agreement, and you acknowledge receipt of a copy of this Agreement.

CREDIT INVESTIGATION: In conjunction with your application for credit and, if approved, maintenance of your Account, you agree that we have the right to investigate your credit and employment history, to verify your credit references, to request and use credit reports, and to report the way you pay your Account to credit bureaus and other interested parties.

ADDITIONAL PROVISIONS: Each provision of this Agreement must be considered part of the total Agreement and cannot in any way be severed from it. However, if any provision of this Agreement is finally determined to be void or unenforceable under any law, rule, or regulation, all other provisions of this Agreement will remain valid and enforceable. You understand that this Agreement is performable in the county and state of the credit union shown above in this Agreement, and the validity, construction, and applicable federal law and the laws of the state in which the credit union shown above is primarily located shall govern enforcement of this Agreement. We do 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 we are not responsible for the refusal of any merchant or financial institution to honor your Card. The Card remains our property at all times, and you agree to immediately surrender the Card upon demand. You agree to pay all reasonable costs of collection, including court costs and attorney's fees, and any costs incurred in the recovery of the Card. We can accept late payments or partial payments, or checks or money orders marked "payment in full" without losing any of our rights under this Agreement. We can also delay enforcing any of our rights under this Agreement without losing them. You expressly waive presentment for payment, demand, protest, and notice of protest and dishonor of it. You agree to give us prompt notice of any change in your name, mailing address, telephone number or place of employment.

You may not use your Card for any illegal transaction. You agree that we may decline to process any transaction, which we believe in good faith to be for an illegal purpose. You agree that we will not be liable for declining to process any such transaction. If we do process any transaction, which ultimately is determined to have been for an illegal purpose, you agree that you will remain liable to us under this agreement for any such transaction notwithstanding its illegal nature. You agree that any illegal use of the Card will be deemed an act of default under this Agreement. You further agree to waive any right to take legal action against us for your illegal use of the Card and to indemnify and hold us MasterCard International, Incorporated harmless from and against any lawsuits, other legal action, or liability that results directly or indirectly from such illegal use.

GAMBLING TRANSACTIONS Communities of Abilene Federal Credit Union has made no determination as to

whether or not Internet gambling is legal or illegal in a particular state. Therefore, Communities of Abilene Federal Credit Union will not allow its MasterCard to be used to pay any Internet gambling transactions.

MASTERCARD CURRENCY CONVERSION: If you effect a transaction with your MasterCard in a currency other than U.S. dollars, MasterCard International 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 factor established 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.

WHAT TO DO IF THERE IS AN ERROR ON YOUR STATEMENT NOTICE OF YOUR BILLING RIGHTS • KEEP THIS NOTICE FOR FUTURE USE.

This notice contains important information about your rights and responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Statement. If you think your statement is incorrect and you need more information about a transaction on your statement, write us on a separate sheet at the address listed on your statement. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement 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 and Account 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 item you are not sure about.

If you have authorized us to pay your credit card bill automatically from your savings or checking Account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us 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 within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the statement was correct. After we receive your letter, we cannot 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 statement that are not in question. If we find that we made a mistake on your statement, 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 and the date that it is due. If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within 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 statement. And, 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 it finally is.

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

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, or if not within your home state, within 100 miles of your current mailing address; and (b) The purchase price must have been more than \$50.00. These limitations do not apply if we own or operate the merchant, or mailed you the advertisement for the property or services.

CUSTOMER SERVICE: 1-800-442-4757-24 hours a day/7 days a week. (Please have Account information available.)

CREDIT INSURANCE: If available, credit insurance is not required for any extension of credit union 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.

The information about the costs of the Card described in this application is accurate as of 03/07. This information may change after that date. To find out what may have changed, call 800-535-2157 or write to Communities of Abilene Federal Credit Union at P. O. Box 631, Abilene, TX 79604.

IMPORTANT DISCLOSURE INFORMATION

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| <p>Standard Annual Percentage Rate (APR) For MasterCard Classic Purchases or Balance Transfers/ Cash Advances:</p> <p>Other APR's:</p> <p>Reward:</p> <p>Account closure APR:</p> | <p align="center">13.9%</p> <p>13.65% (0.037397% DPR} w/Big Country Checking. 13.40% (0.036712% DPR} w/Big Country Checking & auto pay from <' COAFCU account.</p> <p>Earn 1% cash rebate on net retail purchase w/Big Country Checking. Receive a rebate based upon eligible transactions appearing on your current monthly statement if the rebate amount is less than \$10.00. Rebate: equal to or greater than \$10.00 will be applied to your COAFCU account.</p> <p>13.9% (0.038082 DPR} if Big Country Checking is closed.</p> |
| <p>Standard Annual Percentage Rate (APR) For MasterCard Secured Purchases or Balance Transfers/ Cash Advances:</p> | <p align="center">13.9%</p> |
| <p>Standard Annual Percentage Rate (APR) For MasterCard Platinum Purchases or Balance Transfers/ Cash Advances:</p> <p>Other APR's:</p> <p>Reward:</p> <p>Account closure APR:</p> | <p align="center">8.9%</p> <p>8.65% {0.023698% DPR} w/Big Country Checking. 8.40% (0.023013% DPR) w/Big Country Checking & auto pay from a COAFCU account.</p> <p>Earn 1% cash rebate on net retail purchase: w/Big Country Checking. Receive a rebate based upon eligible transactions appearing on your current monthly's statement if the rebate amount is less than \$10.00. Rebates equal to or greater than \$10.00 will be applied to your COAFCU account.</p> <p>8.9% (0.024383 DPR) if Big Country Checking is closed.</p> |
| <p>Grace Period for Repayment of balances for purchases:</p> | <p>You have not less than 25 days to repay your balance for purchases before a FINANCE CHARGE will be imposed.</p> |
| <p>Method for computing the Balance for Purchases:</p> | <p>Average Daily Balance {including new purchases): \$18.00 minimum or 3% of principal balance.</p> |
| <p>Annual Fee:</p> | <p>None</p> |
| <p>Transaction fee for purchases:</p> | <p>None</p> |
| <p>Balance Transfer Fee:</p> | <p>None</p> |

IMPORTANT DISCLOSURE INFORMATION (continued)

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| Returned Check Fee: | \$25.00 |
| Late Payment Fee: | \$10.00 |
| 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://consumerfinance.gov/learn more |

California residents: Applicants: 1) may, after credit approval, use the credit Card Account up to its credit limit; 2) may be liable for amounts extended under the plan to any joint applicant. As required by law, you are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit-reporting agency if you fail to fulfill the terms of your credit obligations.

Ohio residents: Ohio anti-discrimination laws require creditors to make credit equally available to all credit worthy customers and that credit reporting agencies maintain separate credit histories on individuals upon request. The Ohio Civil Rights Commission administers compliance with this law.

New York and Vermont residents: At any time, we may obtain your credit reports, for any legitimate purpose associated with the Account or the application or request for an Account, including but not limited to reviewing, modifying, renewing and collecting on your Account. On your request, you will be informed if such a report was ordered. If so, you will be given the name and address of the consumer-reporting agency furnishing the report.

Married Wisconsin residents: No provision of any marital property agreement, unilateral statement, or court order applying to marital property will adversely affect a creditor's interests unless prior to the time credit is granted, the creditor is furnished with a copy of the agreement, statement or court order, or has actual knowledge of the provision.