

# CEFCU<sup>®</sup> BUSINESS MASTERCARD<sup>®</sup> CARDHOLDER AGREEMENT



## CONTENTS

1. Acceptance Of This Agreement.....	2
2. Business Purpose.....	3
3. Using The Account And Cardholder Accounts.....	3
4. Payments.....	10
5. Finance Charges.....	17
6. Minimum Finance Charge.....	19
7. Account Fees.....	20
8. Security Interest.....	21
9. Termination.....	22
10. Notices/Changes Of Information Relating To You.....	23
11. Changing This Agreement.....	23
12. Telephone Monitoring And Recording.....	24
13. CEFCU CUREwards <sup>®</sup> Program.....	24
14. Errors In Monthly Statements.....	24
15. Problems With Purchases.....	25
16. Questions Or Concerns About Your Account.....	25
17. Your Personal Information.....	25
18. Enforcing This Agreement.....	25
19. Assignment.....	26
20. Governing Law.....	26
21. Help Us Do Our Best To Prevent Credit Card Crime ...	26

## ACCEPTANCE OF THIS AGREEMENT

This CEFCU Business MasterCard<sup>®</sup> Cardholder Agreement (“this agreement”) contains the terms and conditions which govern the CEFCU Business MasterCard credit card(s) and your CEFCU Business Credit Card account (“the account”) established pursuant to your request for business credit card services from us. This agreement replaces all earlier agreements related to the card(s) and the account. Please read the entire agreement and keep it for your records.

Throughout this agreement, the word “Card” means the CEFCU Business MasterCard credit card(s) issued by CEFCU to the cardholder(s) that may be used to access credit on the account. The word “Card” also includes any other access devices, such as account numbers (including virtual account numbers, virtual card numbers and digital card numbers hereinafter with your account number collectively referred to as “account number”), and Convenience Checks that we have issued to permit the cardholder(s) to obtain credit under this agreement. Each cardholder(s)’ account number may differ from the other cardholder(s)’ account number(s), but all are part of the account. We may issue Cards to renew a cardholder’s current Card or substitute and replace it with a different type of Card if the current type of Card is discontinued or for other reasons. The word “Card” also includes any renewal or substitute Card.

Throughout this agreement, the words “we”, “us”, “our” and “CEFCU” mean Citizens Equity First Credit Union, the issuer of the Card and account. The words “you” and “your” mean the CEFCU Business Member establishing the account. The word “cardholder(s)” means you if you are a sole proprietorship. If Business Member is a partnership, corporation or other form of organization other than a sole proprietorship, the word “cardholder(s)” mean one or more of your officers and/or employees for whom we have opened a cardholder account under the account (the “cardholder account(s)”) and to whom we have issued a Card at your request or at the request of an authorized person under this agreement made on a fully completed credit card application and/or request form that we have prescribed for this purpose.

You agree to provide each cardholder with a copy of this agreement. By signing, activating and/or using the Card or the cardholder account, each cardholder acknowledges having received and read this agreement and agrees to be bound by

this agreement. You and each cardholder individually and together agree to be bound by this agreement. In addition, this agreement will be binding on your personal and legal representatives, successors and assigns.

Please have each cardholder sign the back of the Card when they receive it. Each cardholder will be bound by this agreement even if they don't sign the Card. If we have issued a Card to a cardholder; provided a cardholder with a renewal or replacement Card; or provided the cardholder with Convenience Checks, and the cardholder keeps or uses the Card or Convenience Checks, it means that they understand and agree to be bound by the terms of this agreement. Your application for the account and all other disclosure documents which we provide to you form an integral part of this agreement.

### **BUSINESS PURPOSE**

You and each cardholder acknowledge that you have entered into this agreement for business purposes only. You and each cardholder represent, warrant and agree that the Cards issued pursuant to this agreement shall be used for business purposes only.

### **USING THE ACCOUNT AND CARDHOLDER ACCOUNTS**

Provided that the account is in good standing, a cardholder may draw on the cardholder account by using the Card, by use of the Card together with their Personal Identification Number (PIN), by use of their account number without presenting the Card or by use of a CEFCU MasterCard Convenience Check provided the cardholder by us ("Convenience Check(s)" and/or other access devices included in the word "Card" when referring herein collectively to the access devices that we have issued to permit the cardholder to obtain credit under this agreement) wherever the Card or Convenience Checks are accepted or by balance transfers we allow or by overdraft protection we approve and up to the maximum amount we have set as the cardholder's credit limit and your aggregate credit limit. We are not responsible for refusal by anyone to accept a Card or Convenience Check. You promise that you and each cardholder will use the account and cardholder account(s) only for valid and lawful transactions. You agree that you and each cardholder may not use the account and cardholder account(s) for internet gambling transactions or any illegal

purpose or illegal transaction. Any such use by you or a cardholder will constitute (i) a waiver by you of any right to sue CEFCU respecting any such gambling transaction, illegal purpose or illegal transaction by you or a cardholder and (ii) your agreement to indemnify and hold CEFCU free and harmless from and against any suits or other legal action or liability, directly or indirectly, resulting from such gambling transaction, illegal purpose or illegal transaction by you or a cardholder. It is not our responsibility to make sure that you and/or the cardholders use the account and cardholder account(s) only for permissible transactions, and you will remain responsible for paying for a transaction even if it is not permissible. You authorize us to pay for and charge the account and cardholder account(s) for all transactions made on the account.

### **Types Of Transactions**

- Purchases: The cardholder(s) may use the Card to pay for goods or services. You may request different authorization processing parameters on a cardholder account by account basis. For instance, you may request that we limit purchases to specific merchant types, merchant zip codes, and single dollar transaction amounts.
- Convenience Checks: We may provide the cardholder with Convenience Checks as a way to use the cardholder account. All transactions using Convenience Checks will be treated as Cash Advances and will be subject to the terms of this agreement that apply to Cash Advances unless you or the cardholder is notified otherwise in a written notice from CEFCU at the time we provide you or the cardholder with the Convenience Checks. Convenience Checks must be ordered through CEFCU. Only a person whose name is printed on a Convenience Check may sign it. All Convenience Checks must be written in U.S. Dollars. CEFCU will not certify a Convenience Check. CEFCU is entitled to return a Convenience Check unpaid if there is not enough available credit on the cardholder's account to pay it, if you are in default under this agreement, if the Card or Convenience Checks have been reported lost or stolen, if the Convenience Check is post-dated (shows a future date), if the Convenience Check is not signed, if the Convenience Check is expired, or if the Convenience Check was not ordered through CEFCU, and for any other reason in our sole discretion. A Finance Charge

will be imposed from the date a Convenience Check is posted to the cardholder's account until the date it is fully paid. A Convenience Check cannot be used to make a payment on an account established under this agreement or any other CEFCU Credit Card account. Only Convenience Checks issued on or after July 1, 2014, that conform to the foregoing requirements will be accepted by us.

- Cash Advances: The cardholder may use the Card to obtain Cash Advances by using the Card together with a Personal Identification Number (PIN) at any Automated Teller Machine (ATM) that allows the cardholder to use the Card. The cardholder may also obtain Cash Advances from financial institutions, businesses or merchants that accept the Card. If the Card is used to obtain a Cash Advance, you are deemed to have authorized the transaction. If the cardholder uses the Card to obtain travelers checks, foreign currency, money orders, wire transfers or similar cash-like charges; or to obtain lottery tickets, casino gaming chips, race track wagers or similar gambling transactions, these transactions will be treated as Cash Advances.
- Balance Transfers: You may transfer balances from other accounts or loans with other credit card issuers or other lenders to the account, or other balance transfers we allow. But you may not transfer balances to the account from other accounts with us. If a portion of a requested balance transfer will exceed your available credit limit, we may process a partial balance transfer up to your available credit limit. A balance transfer will be processed by payment drawn on the account and made by us directly to the other credit card issuers or other lenders. A balance transfer will be treated as a Purchase and will be subject to the terms of this agreement that apply to Purchases.
- Overdraft Protection: If you have requested and we have approved Overdraft Protection from the account for a Checking Account maintained with CEFCU ("Checking Account"), and provided your account is in good standing, you may draw on the account by making an overdraft transfer from the account to the Checking Account in accordance with the CEFCU Business Deposit Account Agreement. In addition, your account will be charged an Overdraft Transfer Fee for each

transfer as set forth in this agreement. All funds will be transferred in increments of \$100 and the full amount of the transfer will be treated as a Cash Advance and will be subject to the terms of this agreement that apply to Cash Advances. You acknowledge and agree that we may refuse an overdraft transfer from the account if the full amount of the transfer and the Overdraft Transfer Fee would exceed the credit limit of the account. You further acknowledge and agree that anyone who is authorized to make withdrawals from the checking account may access your account through Overdraft Protection and that person will be an authorized person.

#### **Mail, Telephone, Internet or Other Card-Not-Present Purchases**

If a cardholder incurs an obligation on the cardholder's account without presentation of the Card (such as for mail or internet orders, telephone or mobile Purchases), your obligation to us will be the same as if the Card was used.

#### **Authorized Persons(s)**

If you designate in writing an individual as being authorized to open the account and/or the cardholder account(s), that person will be an authorized person. An authorized person may request that we open individual cardholder accounts under the account and request issuance of a Card to each cardholder. You will remain responsible for the use of the account and each Card issued on the account according to the terms of this agreement. This includes your responsibility for paying all obligations reflecting Purchases and Cash Advances charged to the account and/or the cardholder account by a cardholder.

#### **Issuance of Cards; Cardholder Accounts**

You or an authorized person may request that we issue a Card to one or more cardholders. A cardholder's account and Card may only be used by the cardholder in whose name it has been opened or issued. We will establish a separate account for each Card that contains your name and the name of the cardholder.

#### **Card Cancellation/Revocation or Suspension of Use**

You or an authorized person may cancel a cardholder's account and Card for any reason by providing us with written notice of cancellation of that account and Card. You will be liable to us for all obligations, howsoever and by whomsoever incurred, resulting from the use of the cardholder's account

or Card from the time you or the authorized person provides written notice of cancellation to us of the cardholder's Card until the cardholder's Card is surrendered to us or the time you have given us written notice that the Card has been destroyed.

If the obligations outstanding in a cardholder's account exceeds the cardholder's credit limit or exceeds the aggregate credit limit for all cardholder accounts at any time, we may suspend the cardholder's right to use the cardholder's account and Card and all services we provide to the cardholder under this agreement until such time as that excess is paid to us in full.

We may revoke or suspend a cardholder's right to use the cardholder's account and Card at any time without notice. The cardholder must also surrender the Card to you or to us at your (or our) request.

#### **Credit Limits And Not Exceeding The Credit Limits**

We will set an aggregate credit limit for all cardholder accounts established under this agreement and we may change it from time to time without notice. If you consistently make late payments or no payments, we may reduce the aggregate credit limit for all cardholder accounts. We will tell you what the initial aggregate credit limit is at or before the time the account is opened. You agree not to incur any obligations in excess of the aggregate credit limit authorized by us for the account and for all cardholder accounts established under this agreement. However, we may (but are not required to, even if we have done so before) permit the obligation to exceed the aggregate credit limit we set from time to time. You may ask for an aggregate credit limit increase by calling toll-free: 1.800.633.7077, ext. 37065 or 309.633.7065.

You may request a separate credit limit for each cardholder account and Card issued under this agreement. We will set the credit limit for each Card and cardholder's account in an amount not to exceed the credit limit requested by you and we may change the credit limit for a cardholder's account periodically. The credit limit will be indicated in a separate disclosure document and/or on the cardmailer accompanying the cardholder's Card and/or on the monthly statement. You will ensure that each cardholder observes their credit limit. You agree that no cardholder will incur any obligations in excess of the credit limit of the cardholder's account authorized for the cardholder by us. However, we

may (but are not required to, even if we have done so before) permit the obligation to exceed that credit limit we set from time to time. If the cardholder exceeds the credit limit on the cardholder's account, you may be charged an Overlimit Fee. If the cardholder exceeds the credit limit, we may: (a) require the immediate payment of the amount in excess of the credit limit; (b) charge the account without waiving our right to demand immediate payment of the amount in excess of the credit limit; (c) refuse to permit any Purchases or Cash Advances in excess of the credit limit; and (d) reverse any Purchases or Cash Advances in excess of the credit limit as a result of the fault of the merchant or person selling the goods or services. You may ask for a credit limit increase on a cardholder's account by calling toll free: 1.800.633.7077, ext. 37065 or 309.633.7065.

This agreement applies to any balance over the credit limits. Subject to applicable law and at our discretion, we may increase, reduce or cancel the credit limits or allow you and/or the cardholders to exceed the credit limits without giving notice to you or the cardholders. However, if you have asked us not to do so, we will not increase the credit limits. A change in the credit limits will not affect your obligation to pay us. We reserve the right to refuse to honor any use of the Card or Convenience Checks which would result in exceeding the credit limits.

Payments do not automatically adjust the available credit limits. This generally occurs within one to three business days following receipt of your or the cardholder's payment, depending on how payment is made.

#### **Transactions In Foreign Currency**

If a cardholder uses the Card for transactions in a currency other than U.S. Dollars, the transactions will be converted by MasterCard to U.S. Dollars, using either (1) 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 (2) the government-mandated rate in effect for the applicable central processing date. The currency conversion rate for the applicable central processing date may differ from the rate in effect at the time of the transaction or on the date the transaction is posted to your account. If a credit is subsequently given for a transaction and has a different central processing date, then the exchange rate of the credit may be greater or less than that of the original transaction.

You agree to accept the converted amount in U.S. Dollars. In addition, if you use your Card and PIN to obtain a Cash Advance at an ATM that involves a multi-national or worldwide automated teller machine network switch and involves a currency other than U.S. Dollars, the transaction will be converted to U.S. Dollars, generally using either (1) a government-mandated rate, or (2) a wholesale market rate in effect the day before the transaction processing date. The currency conversion rate used on the processing date may differ from the rate in effect at the time of the transaction or on the date the transaction is posted to your account.

#### **Refusal To Authorize Transactions**

We may, but are not required to, decline a transaction on the account and/or cardholder's account because of operational considerations, because you are in default under this agreement, to protect against potential fraudulent or unlawful activity, or in our discretion, for any other reason.

Should a transaction on the account and/or cardholder's account be declined either by us or a third party, even if you have sufficient credit available, we will not be responsible for any losses that may result. For online transactions, we may require that each cardholder register their account with the "MasterCard SecureCode" authorization system or such other authorization system as we may direct to protect you and us. We will notify you if we want each cardholder to register. If a cardholder does not register, we may not be able to honor their online transactions.

#### **Loss, Theft Or Unauthorized Use**

If you are an organization with ten (10) or more employees and we have issued ten (10) or more Cards on the account for use by cardholders, you agree that: (i) all transactions conducted by one of your owners, by the cardholder or a person authorized by the cardholder or any person with an interest in or authority to transact business on the account will conclusively be deemed to be an authorized transaction; and, (ii) you will be liable for any unauthorized use of a Card or the account before you give written notification to us if we reasonably determine, based on substantial evidence, that the cardholder was grossly negligent in the handling of the account or Card.

You will inform us immediately by telephone and in writing about any actual or suspected loss, theft or unauthorized use of a Card, account number, PIN or Convenience Check.

Notify us in writing at CEFCU, P.O. Box 1715, Peoria, Illinois 61656-1715 and by phone at 1.800.633.7077, of the loss, theft or possible unauthorized use. You agree that we will consider that all transactions have been authorized by you until you advise us otherwise.

After notification to us, you will not be liable for unauthorized use of the Card. Otherwise, if you are an organization with fewer than 10 employees or if we have issued fewer than 10 Cards to cardholders, if a Card is lost or stolen, you will not be liable for unauthorized use of the Card. However, you must identify for us the unauthorized charges from which you received no benefit. We may ask for your and/or the cardholder's assistance with our investigation by providing us information in writing to help us find out what happened.

#### **Keep Your PIN Confidential**

You and each cardholder agree to keep the PIN confidential and separate from the Card at all times.

#### **Ownership Of Card**

You agree that the Card remains the property of CEFCU and will be surrendered to CEFCU on demand; and, that you do not have the right to assign or transfer your rights and obligations under this agreement, the account, cardholder account(s) or any Card to anyone else.

#### **Observing The Card's Expiration Date**

If the Card contains an expiration date, you and each cardholder agree not to use it or any Convenience Checks after such expiration date. If they are used, you agree to pay any debts that are incurred.

#### **ATMs**

The availability of ATM services and the Cash Advance amount a cardholder can withdraw each day may vary from time to time and without prior notice to you. We are not liable if ATM services are not available or for any loss or damage you may suffer because of a cardholder's use of an ATM.

#### **PAYMENTS**

##### **Providing You With Account Statements**

When you apply for the account and Card, we will offer you a choice between two (2) primary processing options, the individual pay option and the consolidated pay option. The

individual pay option allows each cardholder to function as an individual account with a monthly statement issued for each cardholder account. The consolidated pay option consolidates all cardholder activity at month-end with one monthly statement issued for all cardholder accounts. You may choose the individual pay option for some cardholder accounts and the consolidated pay option for other cardholder accounts.

If you choose the individual pay option, we will send each cardholder a monthly statement for their cardholder account if there has been transactions on the cardholder account during the last month or if we are owed any money on the cardholder account. If you choose the consolidated pay option, we will send you a monthly statement that includes all cardholder accounts that have had transactions during the last month or if you owe us any money on a cardholder account. The monthly statement will list the transactions by cardholder. The number of days covered by each account statement may vary (normally between 28 and 33 days) as a result of several factors, including holidays, weekends and the different number of business days in each month.

##### **Repaying Your Obligations**

When a cardholder accesses the account in a manner that we permit, you will incur an obligation. You agree to pay all obligations reflecting Purchases and Cash Advances charged to the account because of a cardholder's use of the Card upon presentment of such obligations to CEFCU. We will add a Finance Charge, fees and other applicable charges to your obligations and these amounts will form part of your obligations. You agree to pay CEFCU for all such obligations, at such place as CEFCU designates, with applicable Finance Charge and any fees and other applicable charges that may be due, in accordance with billings and the current Extended Payment Schedule. You may prepay your New Balance in full without penalty.

##### **Keeping The Account And Each Cardholder Account In Good Standing**

The monthly statement that we will send you if you choose the consolidated pay option, or that we will send each cardholder if you choose the individual pay option, will indicate the payment due date. If you or the cardholder, as applicable, do not repay your obligations in full by the payment due date, you or the cardholder, as applicable, agree to make the minimum monthly payment which we will

indicate on the monthly statement. A Minimum Payment will appear on the monthly statement and payment of not less than the amount thereof must be made within 25 days after the Statement Date shown on the monthly statement or if the 25th day is a Sunday or a holiday, then on the next business day. The Minimum Payment will be the sum of (i) the amount determined in accordance with the following Extended Payment Schedule (Preliminary Minimum Payment), (ii) any amount past due, and (iii) any amount by which your New Balance exceeds your authorized credit limit. Extended Payment Schedule: If the New Balance is \$10.00 or less, the Preliminary Minimum Payment will be the New Balance in full. If the New Balance is more than \$10.00, the Preliminary Minimum Payment will be 3% of the New Balance, or \$10.00, whichever is greater. Any past due or over credit limit amount must be paid as soon as you or the cardholder, as applicable, receive the monthly statement.

### **Application Of Payments**

Your or the cardholder's, as applicable, payment will be applied in a manner we determine. Subject to applicable law, we will apply your or the cardholder's, as applicable, payment (to the extent sufficient) to pay balances with lower Finance Charges (such as lower rate balance transfers, optional financing programs, and other promotional rates such as 0% APR for 105 days on certain Purchases) before applying it to balances with higher Finance Charges. Subject to applicable law, we reserve the right to change the order in which we apply payments. The sooner you pay the New Balance, the less you or the cardholder, as applicable, will pay in Finance Charges.

### **Acceptance Of Late Or Partial Payments**

We may delay enforcing our rights under this agreement and may accept late payments, partial payments and payments marked as "paid in full" or containing similar wording without losing any rights that we have under this agreement or by law, including the right to recover in full all amounts that you owe to us on the account and cardholder's account.

### **Skip Payment Option**

We may, at our option, allow you and/or the cardholder, as applicable (hereinafter for purposes of this section only "you"), to skip a payment from time to time. You will be notified in advance of when this option is available to you. You may continue to make regular payments as determined in this agreement and/or additional payments if you wish

and you will reduce the amount of Finance Charges that you will have to pay if you do so. If you exercise the skip payment option when it is made available to you, you will not be charged a Late Fee for those payments skipped. However, if you exercise the skip payment option when it is made available to you, Finance Charges and insurance premiums, if any, will continue to accrue on the entire unpaid balance of your account during that skip payment period in accordance with this agreement. The statement sent to you immediately following the skip payment period will indicate the Minimum Payment due. At that time, your Minimum Payments will return to the amount computed in accordance with the terms of this agreement and be due on the due dates as specified in this agreement.

### **Applying Credit Receipts**

If the cardholder uses the Card or Convenience Checks for a transaction which is subsequently cancelled and is given a credit receipt, we will credit the cardholder's account by the amount shown on the credit receipt within three (3) business days after our receipt of the credit transaction. The credit will be processed as of the posting date, not the transaction date for purposes of the Average Daily Balance calculation.

### **Credit Balances**

You may request a refund of a credit balance at any time. We may reduce the amount of any credit balance by the amount of new charges or fees billed to the cardholder account. We will not pay you interest on any credit balances. If the cardholder account has a credit balance for four (4) or more consecutive statements we may refund the credit balance to your savings account with us.

### **Reversing Payments, Credits**

We may reverse any payments, credits, or Cash Advances applied to cardholder's account as the result of system or processing errors.

### **Right To Offset**

If you have more than one account with us, and if any one of your accounts is not in good standing, you agree that we may offset the credit balance in the cardholder accounts against the balance of the account which is not in good standing.

### **Pre-Authorized Debits**

You may authorize a third party to automatically charge a cardholder account for repeat transactions by way of a

pre-authorized debit (for example, monthly utility charges, memberships and insurance premiums). If pre-authorized debits are stopped for any reason (including because the cardholder account is closed or suspended for any reason), you are responsible for notifying the biller and paying these charges directly. If your Card or account information changes: (a) you are responsible to provide your new Card and account information to third parties to continue your pre-authorized debits; (b) we may, but are not required to, provide your new Card and account information to third parties to continue your pre-authorized debits; and, (c) we may, but are not required to, pay from the new account number charges that you authorized to be billed to the old account number.

### **Promotions**

From time to time we may offer special terms for the account. If we do, we will notify you about the terms of the offer and how long they will be in effect. Any promotion is subject to the terms of this agreement, as modified by the promotional offer.

### **Making Payments**

If you choose the individual pay option, you or the cardholder will make a separate payment for each cardholder account. If you choose the consolidated pay option, you will make one payment to us for all cardholder accounts. Payment can be made by you and/or the cardholder, as applicable (hereinafter for purposes of this section only "you"), by the following methods:

- Payment by mail or in person at any CEFCU office.
- Payment by automatic transfer from your CEFCU Savings or Checking account in accordance with your written authorization executed by you either pursuant to CEFCU's Credit Card Automatic Transfer/Payment Program (the "Credit Card ATP Program") or using CEFCU's standard Authorization/Cancellation of Automatic Transfers Form (the "ALC Program"). If you have authorized payment through the Credit Card ATP Program, then the amount you have specified in the Credit Card ATP Program, whether (a) the Minimum Payment, (b) a Fixed Monthly Amount, or (c) the New Balance in full, will, subject to the availability of sufficient funds in your designated Savings or Checking account, be transferred in accordance with the Credit Card ATP Program on the next succeeding transfer date specified

in your Credit Card ATP Program authorization unless (i) the statement shows an account balance of zero dollars and no payment due or (ii) you make written request to CEFCU not less than three Business Days prior to the scheduled date of the transfer. If you have authorized Payment through the ALC Program, then the amount you have specified in the ALC Program transfer authorization will, subject to the availability of sufficient funds in your designated Savings or Checking account, be transferred in accordance with the ALC Program transfer authorization unless you make written request to CEFCU not less than three Business Days prior to the scheduled date of transfer. If the amount transferred in accordance with the Credit Card ATP Program or your ALC Program transfer authorization is less than the Minimum Payment, you agree to pay the balance of the Minimum Payment. You acknowledge that the Credit Card ATP Program and the ALC Program are offered as a convenience to CEFCU members and each is optional. If you have executed a Credit Card ATP Program request or an ALC Program transfer authorization, you have authorized and directed CEFCU to make transfers in accordance with that request. It is understood that if you have executed a Credit Card ATP Program request or an ALC Program transfer authorization, unless your participation in either Program has been terminated in accordance with the terms of that Program, the request or authorization will remain in full force and effect until you cancel the request or authorization by written notice to CEFCU at least three (3) Business Days prior to the next scheduled transfer date.

- Payment by automated means using a Money Center 24<sup>h</sup>ATM, Fast Track Teller, or the Touch-Tone Teller Program; or, you may use the CEFCU On-Line<sup>®</sup> Program or Mobile Banking Program for either (1) an internal transfer from your CEFCU Savings, Checking, or Insured Money Market Account to your CEFCU credit card account, or (2) an external transfer, from an account you hold at another financial institution to your CEFCU credit card account (subject to the terms and availability at the other financial institution).
- Payment by transfer you authorize CEFCU to make from your CEFCU Savings, Checking, or Insured Money Market Account pursuant to a telephone request you make for a specific transfer by calling 1.800.633.7077 or 309.633.7000.

- Payment by Tel-Entry transaction (ACH transfer from an account at another institution), subject to the terms and availability at the other financial institution.
- Payment by your online debit from your account at another financial institution, subject to the terms and availability at the other financial institution.
- Payment by Auto Pay debit from your account at another financial institution (subject to the terms and availability at the other financial institution) each month on the Payment Due Date for: (i) the current month's Minimum Payment due; (ii) the full Balance; or, (iii) a fixed payment amount. If you select this Auto Pay option, there is an additional Auto Pay service authorization form that you will need to request, sign and return to us before we can process payments automatically. If you select this Auto Pay option, you agree to pay CEFCU's applicable Auto Pay fee, if any. You may notify us in accordance with the terms of this form if you wish to revoke your authorization for Auto Pay.

#### **Crediting Payments**

A payment made by mail, by telephone transfer, or by electronic means will, if received by 5:00 p.m. (CT), be credited to your account as of the calendar day it is received; a payment made in person at a CEFCU office with the direct assistance of or to a CEFCU employee will, if made before the close of business of that office, be credited to your account on the calendar day made; and, a payment made using the Credit Card ATP Program or the ALC Program will be credited to your account on the date of the transfer. A payment made by mail must be sent by first class mail postage prepaid to the address specified in your periodic statement and only checks or money orders should be sent by mail. Payments made by mail or in person at a CEFCU office must be accompanied by the specified detachable portion of your statement or a separate writing setting forth your name and correct Credit Card Account Number. All payments must be made in U.S. Dollars. A payment made by mail at an address other than the address specified in your periodic statement and/or a payment made that does not otherwise conform to the foregoing requirements that is accepted by us may result in a delay in crediting your account, but in no event more than five (5) days from the date of receipt, and may subject you to additional interest and Late Payment Fees. A payment made by any of the methods stated in the "Making

Payments" section of this agreement will result in an increase to your available credit within two Business Days after the date your payment is credited to your account. For purposes of this section, Business Days means Monday through Friday (except for days our offices are not open and except for Christmas Eve Day). The closing date of the billing cycle is referred to as the "Statement Date" and will be specified on your statement. All Payments, Credits, Cash Advances, and Purchases made after the Statement Date will appear on your next statement.

#### **FINANCE CHARGES**

##### **The Conditions Under Which Finance Charge Will be Imposed**

Cash Advances/Convenience Checks. Finance Charge will be imposed on Cash Advances from the date the Cash Advance transaction occurs, unless the Cash Advance transaction is not posted to the cardholder account until a date in a billing cycle beginning after the billing cycle in which the Cash Advance transaction occurred, and, in that event, Finance Charge will be imposed from the first day of the billing cycle in which the Cash Advance transaction is posted to the cardholder account, and will continue until the date Payment is received by CEFCU. Any Cash Advance a cardholder obtains on the cardholder account and any transaction by which a cardholder purchases items that are directly convertible to cash will constitute Cash Advances. Examples of such transactions are the purchase of money orders, wire transfer money orders, casino gaming chips, opening deposits, traveler's checks, and foreign currency. Unless otherwise provided in a written notice from CEFCU to the cardholder sent with the Convenience Check issued on or after July 1, 2014, all Convenience Check transactions are considered Cash Advances. There is no time period within which to avoid this Finance Charge.

Purchases. Finance Charge will be imposed on Purchases that occur during a billing cycle when the Previous Balance shown on the monthly statement is not paid in full within the first 25 days of the billing cycle. Finance Charge will, in that event, be imposed from the date the Purchase transaction occurs, unless the Purchase transaction is not posted to the cardholder account until a later billing cycle in which event Finance Charge on that Purchase will be imposed from the first day of the billing cycle in which it is posted to the cardholder account, and will continue until the date Payment

is received for the Purchase by CEFCU. Finance Charge will also be imposed on Purchases included in the New Balance when the New Balance shown on the monthly statement is not paid in full within 25 days after the Statement Date.

#### **The Method Of Determining The Balance Upon Which Finance Charge Will Be Imposed**

Finance Charge will be imposed on the “Average Daily Balance” of Cash Advances and the “Average Daily Balance” of Purchases on the cardholder account, including current transactions (those occurring since your last billing statement). We figure a portion of the Finance Charge on the cardholder account by applying the periodic rate to the “Average Daily Balance” of the cardholder account (including current transactions). To get the “Average Daily Balance” for Cash Advances and for Purchases, separately, we take the beginning balance of Cash Advances and the beginning balance of Purchases on the cardholder account each day, add any new Cash Advances occurring on that day and any new Purchases occurring on that day, and subtract any Payments, Credits, unpaid Finance Charges, and any unpaid Fees. In determining the balance of Cash Advances on the cardholder account each day, any Cash Advance that occurred in a prior billing cycle but was not posted to the cardholder account until a subsequent billing cycle will be included in the Cash Advances balance starting with the first day of the billing cycle in which that Cash Advance is posted to the cardholder account. In determining the balance of Purchases on the cardholder account each day, any Purchase that occurred in a prior billing cycle but was not posted to the cardholder account until a subsequent billing cycle will be included in the Purchases balance starting with the first day of the billing cycle in which that Purchase is posted to the cardholder account. This gives us the daily balance for Cash Advances and the daily balance for Purchases (credit balances are considered to be \$0). Then, all the daily balances for the billing cycle are added separately for Cash Advances and for Purchases and each is divided by the total number of days in the billing cycle. This gives us the “Average Daily Balance” for Cash Advances and for Purchases for the billing cycle.

#### **The Method Of Determining The Amount Of The Periodic Rate Finance Charge**

The **Periodic Rate Finance Charge** will be computed separately for Purchases and for Cash Advances by applying the Monthly Periodic Rate for Purchases to the “Average Daily

Balance” of Purchases and the Monthly Periodic Rate for Cash Advances to the “Average Daily Balance” of Cash Advances. The Monthly Periodic Rate will be a VARIABLE PERIODIC RATE. The VARIABLE PERIODIC RATE is determined in part by the “Prime Rate” and in part by a “margin”. The initial “margin” for Purchases and the initial “margin” for Cash Advances applicable to the account and each cardholder account are the respective margins listed in the CEFCU Business MasterCard Application that you submitted to open the account or, if different, are the respective margins otherwise communicated to you at the time you opened the account. These margins can change from time to time on advance notice. The “Prime Rate” means the “Prime Rate” as published under “Money Rates” in *The Wall Street Journal* (if a range of prime rates is given, the higher rate will apply) on the computation dates. The quarterly computation dates will be December 1, March 1, June 1, and September 1 (or if such dates do not fall upon a Business Day, the first publication day thereafter). The VARIABLE PERIODIC RATE for Purchases will be revised quarterly on the computation dates and will be the sum of the “Prime Rate” on each computation date plus the “margin” applicable for Purchases. The VARIABLE PERIODIC RATE for Cash Advances will be revised quarterly on the computation dates and will be the sum of the “Prime Rate” on each computation date plus the “margin” applicable for Cash Advances. If a change in the Prime Rate occurs, the new VARIABLE PERIODIC RATE will apply to the “Average Daily Balance” of Cash Advances and to the “Average Daily Balance” of Purchases as calculated on the cardholder’s monthly statement sent on or after the first day of the quarter following the quarterly computation date. The VARIABLE PERIODIC RATE is divided by 12 to determine the “Monthly Periodic Rate” that appears on the monthly statement. An increase in the Prime Rate may increase both the number of minimum monthly Payments required to repay the account balance and the amount of each minimum monthly Payment. The **Finance Charge** for the cardholder’s account is disclosed on the monthly statement.

#### **MINIMUM FINANCE CHARGE**

If **Finance Charges** based on periodic rates are being added to the cardholder’s account, but the total of such **Finance Charges** for Purchases and Cash Advances is less than \$.50, we assess a minimum **Finance Charge**, based on periodic rates of \$.50. If more than one type of transaction is assessed

a **Finance Charge**, we add the minimum **Finance Charge** to any such transaction at our discretion.

#### **ACCOUNT FEES**

##### **Late Fee**

You agree to pay CEFCU a Late Fee of \$29.00 if a Payment equal to or greater than the Minimum Payment due on the monthly statement is not made on or before the first Statement Date following the Payment Due Date on the monthly statement. Only one Late Fee will be imposed for any one overdue payment.

##### **Foreign Transaction Fee**

If a cardholder uses the Card for an international transaction which is defined as a transaction where the country in which the transaction was completed i.e., location of the merchant, ATM, financial institution or business, is other than the United States, Puerto Rico and the U.S. Virgin Islands, even if the transaction currency is the U.S. Dollar, you agree to pay CEFCU a Foreign Transaction Fee (“FTF”) of 1% of the amount of each transaction. The FTF will apply to all international purchases, credit vouchers, and Cash Advances and reversal transactions.

##### **Overlimit Fee**

You agree to pay CEFCU an Overlimit Fee of \$29.00 if the New Balance (less unpaid Finance Charges and Fees charged to the cardholder’s account) exceeds the cardholder’s stated credit limit on the Statement Date.

##### **Cash Advance Fee**

You agree to pay CEFCU a Cash Advance fee of \$10.00 for each cash advance on the day the Cash Advance is posted to the cardholder’s account.

##### **Overdraft Transfer Fee**

You agree to pay CEFCU a fee of \$8.00 for each overdraft transfer made from your account to your CEFCU Checking Account.

##### **Copy Request Fee**

You agree to pay CEFCU a fee of \$10.00 for each copy of a monthly statement, a sales draft, a Cash Advance receipt, or a Convenience Check you or a cardholder requests unaccompanied by an allegation of error.

**Returned Convenience Check Fee**

You agree to pay CEFCU a fee of \$20.00 for each Convenience Check presented to CEFCU for payment which CEFCU does not pay.

**Returned Payment Check Fee**

You agree to pay CEFCU a fee of \$25.00 for each payment you or a cardholder present to CEFCU by personal or business check to make a payment on the cardholder's account that is returned unpaid.

**ACH Returned Payment Fee**

You agree to pay CEFCU a fee of \$25.00 for each payment made on the cardholder's account by ACH transfer from an account at another institution or other electronic means originated by you or the cardholder that is returned unpaid.

**Convenience Check Stop Payment Fee**

You agree to pay CEFCU a fee of \$20.00 for each Convenience Check on which you or a cardholder stop payment.

**ACH Origination Tel-Entry Return Fee**

You agree to pay CEFCU a fee of \$25.00 for each ACH origination Tel-Entry (ACH transfer from an account at another financial institution) to make a payment on the cardholder's account that is returned unpaid.

**ACH Origination Tel-Entry Processing Fee**

You agree to pay CEFCU or its service provider a fee of \$5.00 for each ACH origination Tel-Entry (ACH transfer from an account at another financial institution) you or a cardholder request to make a payment on the account or a cardholder's account.

**Auto Pay Return Fee**

You agree to pay CEFCU a fee of \$25.00 for each debit to your or the cardholder's savings or checking account at another financial institution to make a payment on the cardholder's account that is returned unpaid.

**SECURITY INTEREST**

You hereby grant us as security for the obligations incurred hereunder a security interest in all of your share accounts and other deposit accounts at CEFCU, whether they are accounts that you now have or may have in the future, and whether the accounts are individual or jointly held. In addition, collateral securing other loans with us may also secure payment of

obligations incurred through the use of the Card and/or the account and/or the cardholder account(s).

**TERMINATION**

- a. We or you may terminate this agreement at any time by giving written notice of termination to the other party. We will send your written notice to your address last appearing on your records. You will send our written notice to our address appearing on the last statement we have sent to you and/or the cardholders. Termination will be effective on receipt of the written notice.
- b. Upon the occurrence of an event of default under this agreement, we may terminate this agreement without giving you or the cardholders notice. The occurrence of any one of the following events is a default under this agreement:
  - i. you become insolvent or bankrupt, or, your death, if you are a sole proprietorship,
  - ii. someone files a petition in bankruptcy against you,
  - iii. you make an assignment for the benefit of your creditors,
  - iv. you institute, or someone else institutes, any proceedings for the dissolution, liquidation or winding up of your affairs,
  - v. you institute, or someone else institutes, any other type of insolvency proceeding involving your assets under the Bankruptcy Code or otherwise,
  - vi. you cease or give notice of your intention to cease to carry on business or make or agree to make a bulk sale of your assets without complying with applicable laws,
  - vii. you or any cardholder fail to pay any obligation under or to comply with any other term of this agreement,
  - viii. you fail to pay any obligation under or to comply with any other term of any other agreement between us and you,
  - ix. any statement made or furnished to us by you or on your behalf is false or misleading in any material respect when made,

- x. you undergo a change of ownership of 25% or more, or
  - xi. there is, in our opinion, a material adverse change in your financial condition.
- c. Upon termination of this agreement, you must pay all obligations on the account and each cardholder account established under this agreement and all Cards and any unused Convenience Checks must be immediately destroyed or returned to us. You shall remain liable to us pursuant to the terms of this agreement until all obligations hereunder are paid in full and all Cards and any unused Convenience Checks are destroyed or returned to us. You will continue to be responsible for charges to the account and each cardholder account even if they are made or processed after this agreement is terminated. Until you pay us the obligations in full, this agreement will remain in effect.
  - d. If we retain the services of a third party to collect the obligations or to recover the Cards or unused Convenience Checks, you agree to pay all costs incurred by us, including reasonable attorneys' fees, costs and expenses.

**NOTICES/CHANGES OF INFORMATION RELATING TO YOU**

We will send Cards, account statements and other notices to you at the most current mailing address shown in our files. If you change your name, address or other information that we may need to keep our records up to date, you will promptly tell us in writing, or by any other means which we may permit.

**CHANGING THIS AGREEMENT**

We may change this agreement at any time. The amendment may change the rates, charges, fees, or other terms of this agreement and can, to the extent the law permits, and indicated in the notice to you, apply to all outstanding unpaid indebtedness and to any future transactions on your account. We may add or delete any term of this agreement. If required by law, we will give you advance written notice of the change(s) and a right to reject the change(s). Notice of an amendment will,



except as otherwise required by law, be given to you at least ten (10) calendar days before the effective date of the amendment. Notice of the amendment may, except as otherwise required by law, be given in *The Teller*, or other similar, regular member communication sent to you, by notice in any flyer or letter sent to you, whether individually or with monthly statements, or by posting a notice of amendment in CEFCU's Member Centers, or by including same on any monthly statement sent to you or by any combination of the foregoing.

#### **TELEPHONE MONITORING AND RECORDING**

We, and if applicable, our agents, may listen to and record your and/or a cardholder's telephone calls with us for our mutual protection and to confirm our discussions and agreements with you and/or a cardholder. You and each cardholder agree that we, and if applicable, our agents, may do so, whether you or we initiate the telephone call.

#### **CEFCU CURewards® PROGRAM**

If you enroll in the CEFCU CURewards® Program ("Program"), the Card allows you to earn points which can be redeemed for merchandise, travel opportunities and other rewards. The CEFCU Business MasterCard Rewards Guide ("Guide") contains the Program rules and conditions of your participation in the Program. The Program and Guide are subject to change from time to time, without notice to you. The current Guide is available at any CEFCU Member Center.

#### **ERRORS IN MONTHLY STATEMENTS**

We will send monthly statements only to you or the cardholder, as applicable, at the most current statement mailing address that we have on file. You are responsible for examining, or for requiring each cardholder to examine, the monthly statements and each entry and balance thereon. The statement shall be conclusively deemed correct and accepted by the cardholder or you, as applicable, unless CEFCU receives a proper written notification of a billing error within 60 days of the first mailing or delivery to the cardholder or you, as applicable, of the monthly statement on which the disputed item(s) or amount(s) is reflected.

#### **PROBLEMS WITH PURCHASES**

We will not be responsible for any problem a cardholder has with any Purchase. If the cardholder has a problem or dispute with a merchant regarding a Purchase, you must still pay all obligations as required by this agreement and settle the problem or dispute directly with the merchant.

#### **QUESTIONS OR CONCERNS ABOUT YOUR ACCOUNT**

If you or a cardholder has a question or concern about the account or a cardholder account, please contact us by telephone toll-free at 1.800.633.7077 or at 309.633.7000.

#### **YOUR PERSONAL INFORMATION**

You and each cardholder agree that CEFCU may release personal data and information concerning you and each cardholder to MasterCard International, the members of MasterCard International, or their respective contractors for the purpose of providing Emergency Cash and Emergency Card Replacement Services and to credit reporting agencies, to the extent not otherwise prohibited by Federal or State law.

You and each cardholder agree that CEFCU may release personal data and information concerning you and each cardholder, the account and each cardholder account and transactions on the account and each cardholder account to its contractors and/or service providers as necessary to effect, administer or enforce a transaction on the account and each cardholder account that you or a cardholder requested or authorized and/or in connection with maintaining or servicing the account and each cardholder account and/or to the extent permitted or required by Federal or State law.

#### **ENFORCING THIS AGREEMENT**

We can delay enforcing or not enforce any of our rights under this agreement without losing our right to enforce them in the future. If any of the terms of this agreement are found to be unenforceable, all other terms will remain in full force.

#### **ASSIGNMENT**

We may transfer any or all of our rights under this agreement, by way of assignment, sale or otherwise. If we do, we may disclose your and each cardholder's personal information and other information concerning the account and cardholder account(s) to anyone to whom we transfer our rights. You and each cardholder consent to us sharing your and each cardholder's personal information in this manner.

#### **GOVERNING LAW**

This agreement is made in Peoria, Illinois and will be governed by and interpreted in accordance with the laws of the State of Illinois and the Federal laws applicable therein, without regard to conflict of laws provisions. You agree that Peoria, Illinois is the appropriate jurisdiction for all actions brought by you or by us in respect to this agreement and the relationship contemplated herein. You also agree that it is appropriate for us to commence an action in Peoria, Illinois in respect of the recovery of amounts due pursuant to this agreement.

#### **HELP US DO OUR BEST TO PREVENT CREDIT CARD CRIME**

Report your lost or stolen Credit Card to CEFCU immediately, call 1.800.633.7077 or 309.633.7000. Please call or stop by a CEFCU Member Center to report any unauthorized use. If you cannot do either, write to:

CEFCU  
P.O. Box 1715  
Peoria, IL 61656-1715

#### **PLEASE RETAIN THIS AGREEMENT FOR FUTURE REFERENCE**

# **CEFCU**

Not a bank. Better. ®

P.O. Box 1715 • Peoria, IL 61656-1715

309.633.7000 • 800.633.7077

[cefcu.com](http://cefcu.com)