### Interest Rates and Interest Charges

<table>
<thead>
<tr>
<th>Description</th>
<th>Annual Percentage Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>ANNUAL PERCENTAGE RATE for Purchases</td>
<td><strong>VISA Rewards 9.50% up to 15.50%</strong></td>
</tr>
<tr>
<td>ANNUAL PERCENTAGE RATE for Balance Transfers</td>
<td><strong>VISA Rewards 7.50% up to 13.50%</strong></td>
</tr>
<tr>
<td>ANNUAL PERCENTAGE RATE for Cash Advances</td>
<td><strong>VISA Rewards 11.50% up to 17.50%</strong></td>
</tr>
</tbody>
</table>

When you open your account based on your credit worthiness.

#### How To Avoid Paying Interest on Payments

Your due date is at least 25 days after the close of each billing cycle. We will not charge you interest on purchases if you pay your entire balance by the due date each month.

#### For Credit Card Tips From the Consumer Financial Protection Bureau

To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Financial Protection Bureau's website [www.consumerfinance.gov/learnmore](http://www.consumerfinance.gov/learnmore).

### FEES

<table>
<thead>
<tr>
<th>Description</th>
<th>Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Set-up And Maintenance Fees</td>
<td>None</td>
</tr>
<tr>
<td>Annual Fee</td>
<td>$5.00</td>
</tr>
<tr>
<td>VISA Charge Photocopy</td>
<td>$10.00 per monthly period</td>
</tr>
<tr>
<td>Statement Photocopy</td>
<td></td>
</tr>
<tr>
<td>Card Recovery Fee</td>
<td>$65.00</td>
</tr>
<tr>
<td>Card Replacement Fee</td>
<td>$10.00</td>
</tr>
<tr>
<td>PIN Replacement Fee</td>
<td>$3.00</td>
</tr>
<tr>
<td>Balance Transfer Fee</td>
<td>None</td>
</tr>
</tbody>
</table>

#### Transaction Fees

1% of transaction amount for Foreign Transactions

#### Penalty Fees

- Late Payment: $25.00 if not received by due date
- Over the Credit Limit: $25.00
- Returned Payment: $25.00

### How We Will Calculate Your Balance:

We use a method called "Average Daily Balance (including new purchases)".

See your account agreement for more details.

### Billing Rights:

Information on your rights to dispute transactions and how to exercise those rights is provided in your Account agreement.

### Periodic Rates:

- The Purchase monthly periodic rate is \(0.02903\)%
- The Cash Advance monthly periodic rate is \(0.02055\)%
- The Balance Transfer monthly periodic rate is \(0.03151\)%

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**VISA.** In this Agreement the words "You" and "Your" means the member or members to whom a Card or Cards are issued, or who have agreed to pay the obligations arising from the use of a Card issued to another person. The words "We" "Us" and "Our" mean Democracy Federal Credit Union. Card means any VISA Card(s) subject to this Agreement issued to you by us, or other single credit device being used from time to time upon presentation to obtain money, property, labor or services on credit. "Card" is implied when you obtain credit by using your account number without using the Card.

**TERMS AND CONDITIONS.** Your VISA Card may not be used for any illegal transaction. Such use may subject you to criminal penalties, and will result in your VISA account privileges being terminated. NO CHARGES OR DEBITS INCURRED FOR GAMBLING TRANSACTIONS WILL BE KNOWINGLY HONORED BY THE CREDIT UNION and it shall be our policy to attempt to block all such transactions.

**Purchases and Cash Advances.** You can use the Card for Purchases and Cash Advances. You will owe us for these amounts plus interest and other charges, if any, all payable in United States Dollars.
Conditions under which we may retain or acquire any security interest in any property to secure payment of credit extended under the account:

1. VISA Gold, VISA Classic. Your Card account is secured by the statutory lien on shares granted by the Federal Credit Union Act. Further, you pledge and grant a security interest in all individual and joint accounts you have with us now and in the future to secure your Card account. You authorize us to apply the balance in these account(s) to pay any amounts due under this Agreement if you should default.
2. You grant us a purchase money security interest in any goods you purchase through the account. Property securing other loans with us now and in the future may also secure this account, except that you do not convey to us any security interest in your dwelling by incurring debts or credit under this Agreement.

Monthly Statement. If you have an outstanding debt or credit balance in excess of $1.00 or if there is any interest imposed during a billing cycle, we will send you a statement. You must pay us (or if we elect, to any party to whom we transfer and assign your account) according to the terms and conditions of the account.

Conditions under which you will be charged interest:

1. Purchases. Interest will accrue from the date posted on transactions for purchases posted during a billing cycle when there is a previous balance and it is not paid in full within the first 25 days of the billing cycle. Interest that will accrue from the first day of the next billing cycle will also be imposed on purchases included in the new balance when the entire new balance is not paid in full within 25 days after the closing date.
2. Cash Advances and Balance Transfers. Interest is computed on a periodic rate basis will be imposed on cash advances from the date posted to the account to the date paid. Interest accrued on cash advances between the closing date of the billing cycle and the date your account is credited will appear on your next statement. There is no time period to avoid paying interest.
3. If your account is subject to interest charges, then the more that you pay and the sooner you pay, the less your interest charges will be.

The Method of determining the balance upon which interest will be charged:

1. We calculate the interest on cash advances by applying a periodic rate to the “Average Daily Balance” of cash advances on your account (including current transactions for cash advances). To determine the “Average Daily Balance” of cash advances we begin with the previous day’s ending principal cash advance balance (fees not included). To this balance for each day in the billing period, we add new cash advances, new balance transfers, other debt transactions; then subtract any principal payments or credits. The sum of the ending daily balances for the billing period is then divided by the number of days in the billing period. The result is the “Average Daily Balance” of cash advances.
2. We calculate the interest on purchases by applying a periodic rate to the “Average Daily Balance” of purchases on your account (including current transactions for purchases). To determine the “Average Daily Balance” of purchases we begin with the previous day’s ending principal purchase balance (fees not included). To this balance, for each day in the billing period we add new purchases and other debt transactions; then subtract any principal payments or credits. The sum of the ending daily balances for the billing period is then divided by the number of days in the billing period. The result is the “Average Daily Balance” of purchases. If the entire previous balance is paid in full within the first 25 days of the billing period, the “Average Daily Balance” of purchases will be considered $0.

The amount of interest imposed during a billing cycle will be determined by

Multiplying the “Average Daily Balance” of Cash Advances by the monthly periodic rate for Cash Advances; the corresponding Annual Percentage Rate is determined by multiplying the monthly periodic rate by 12.

2. Multiplying the “Average Daily Balance” of Purchases by the monthly periodic rate for Purchases; the corresponding Annual Percentage Rate is determined by multiplying the monthly periodic rate by 12.

3. Adding the result of item (1) and (2).

Conditions under which any Other Charges may be imposed:

1. Late Payment. If any amount of principal is not paid by the due date, the fee of $25.00 will be assessed on the current statement when it is mailed.
2. Returned Check Fee. We may impose a charge of $25.00 if any check in payment of your account is returned unpaid for any reason.
3. Over the Credit Limit Fee: If you have elected to allow your account to go over your credit limit, you will be charged $25.00 or the amount of the excess of your credit limit, whichever is less. However, in no case will we impose an over-the-limit fee except in the next two billing cycles unless you have obtained an additional extension of credit in excess of such credit limit during each subsequent cycle or you have reduced the balance below the credit limit as of the end of each billing cycle.
4. Statement/Charge Slip Copy Fee. We may impose a charge of $10.00 for each monthly statement period copy that you request. We may impose a charge of $5.00 for each copy of a standard transaction charge slip that you request. No charge will be imposed in connection with any good faith assertion of a billing error notice given to us in writing.

5. PIN Replacement Fee. We may impose a charge of $3.00 to issue you another PIN.

6. Card Replacement Fee. We may impose a charge of $10.00 to issue you a replacement Card regardless of the reason for replacement.

7. Card Recovery Fee. Any Card or other access device we issue to you is our property and must be returned to us or our agent upon demand. If you do not return the Card or other access device, you may be charged a fee of $65.00 for recovery of our property.


Minimum Periodic Payment Required. If you do not elect to pay your balance in full, you must pay at least the minimum payment due each month by the end of the month. The minimum payment will be (a) the greater of 2.5% of your total new balance, or $25.00, plus any portion of the minimum payment(s) shown on prior statements which remain unpaid plus any amounts that exceed your credit limit.

Application of Payments. Payments when paid during a billing cycle will be applied to amounts outstanding at the time payment is received in the following order: Unpaid interest, other charges, previous cash advances, balance transfers and current cash advances, previous purchases and then to current purchases. Payment amounts in excess of your minimum payment will be applied first to balances with the highest Annual Percentage Rate until that balance is paid off and then to balances with the next highest Annual Percentage Rate until those balances are paid off.

Card Use by Others. If you authorise another person to use a Card or obtain credit on your account and entrust a Card to him or her for that purpose, you agree that such authorization shall continue in effect for as long as that person has the Card; that you will be liable for all
charges to the account arising from use of the Card by such person during such time; and the revocation of the authorization provided hereunder. Any breach of such terms will be conclusive and binding on you until you recover possession of the Card and/or account for same to our satisfaction. Misuse of a Card by an unauthorized User will not be considered to be “unauthorized use” under the terms of this Agreement.

Individual Liability. You will be liable for all credit obtained under the account, whether by you or by any User of the account. If there is more than one person to whom a Card has been issued, then each will be liable, jointly and severally, for all credit obtained under such account in the event of default or non-payment of any charges provided for in this Agreement.

Liability For Unauthorized Use. You are not liable for unauthorized transactions. You must notify us immediately if your Card or access device is lost or stolen or upon discovery of a transaction which is a result of a fraudulent activity such as the unauthorized use of your Card. You agree to notify us immediately.

Financial Information. If a seller agrees to give you a refund or adjustment, you will accept a credit slip for your account in lieu of a cash refund.

Change of Address. You will advise us promptly if you change your mailing addresses. We can accept correspondence from the U.S. Postal Service. We will not be responsible for or accountable for any delay of information or correspondence due to a change of address.

Credit History. If you have made any credit, or employment history, and investigate inquiries as we deem appropriate for the extension of credit or collection of amounts owing on the account. We can provide information concerning your account or credit file to consumer reporting agencies and other individuals who may properly receive that information.

Irregular Payments. We can accept late payments or partial payments of checks or money orders marked “payment in full,” or similar words, without losing any of the privileges under this Agreement. Payments not accepted will be returned as non-sufficient funds.

Overdraft Protection. We may extend credit to you, subject to the terms and conditions of this Agreement, to cover any overdrafts that may occur on your Share Draft/Checking Account. In the event that any checks, electronic debits or other charges are presented against your Share Draft/Checking Account that would cause your Account to be overdrawn, we will advance funds from your credit line in increments of $1,000 or such other increments as we may determine from time to time, up to your available credit limit. Payment in full does not guarantee that we will cover such items and the funds may not be available to cover an overdraft if you do not have sufficient combined funds available in your Share Draft/Checking account and your available credit line. You hold us harmless from any and all liability if a transfer does not occur.

Default. You will be default on this Agreement if you do not make at least a minimum payment on or before the due date of any payment due under this Agreement, or if you fail to correct any errors we report to you, or if you exceed or do not exceed your credit limit without our permission; you become subject to bankruptcy or insolvency proceedings; attachment or garnishment proceedings are instituted against you or your property, or we reasonably deem ourselves insecure; you provide us with false information or signature; you die or fail to comply with any provision of this Agreement. Acceptance of a payment or late payment charge after a payment does not waive the default. Default on any account or other obligation that you have with us shall constitute default on all accounts with us. If you are in default, you have agreed, in advance, to surrender your Account to us at any time for any reason without prior notice or demand. You must pay all costs of collection, court costs and reasonable attorneys’ fees to the extent allowed by applicable laws.

Delay in Enforcement. We can delay enforcing our rights under this Agreement without losing them.

Amendments to Your Account. Upon notice to you as required by law, the terms and conditions in this Agreement may be amended by us at any time, which amendment shall govern any transactions occurring prior to the effective date of the amendment, and to the extent that there is an unpaid balance owing to us on the effective date of the amendment, the amendment shall also govern any transaction occurring after such effective date. Upon notice of any amendments, you have the right to surrender your Account, whereupon you may continue to pay off your account in the same manner and under the same terms and conditions as before.

Foreign Exchange/Currency Conversion. An international transaction fee of 1% will be assessed on all transactions where the foreign currency is not available from the Currency of the Card issuer. The converted transaction amount will be shown separately from the International Transaction fee on your billing statement.

Foreign Transaction Currency Exchange Rate. The exchange rate for transactions in a foreign currency will be rate selected by VIISA from the range of rates available in wholesale currency markets for the applicable processing date, which may vary from the rate applicable to the actual processing date plus 1% International Transaction Fee.

Guarantor. Any person signing and agreeing to be obligated for repayment of obligations under this Agreement who is not a member of the Credit Union obligates himself a guarantor of payment only.

Severability. If any provision of this Agreement is held invalid, all valid provisions that are severable from the invalid provision remain in effect.

Governing Law. This Agreement shall be governed by the laws of the District of Columbia except to the extent where federal law is applicable.

Copy Received. Your acceptance and use of the Card is your acknowledgment of receipt of a copy of this Agreement.

YOUR BILLING RIGHTS – KEEP THIS NOTICE FOR FUTURE USE. This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Bill. If you think your bill is incorrect or if you need more information about a transaction on your bill, write us on a separate sheet from the credit card billing statement and list all the errors or the questions in the order they occurred. We will investigate your complaint within 30 days of your notice. If we need more time, we will tell you why and the time we expect to complete our investigation. You can telephone us, but doing so will not preserve your rights. In your letter, give us the following information:

- Your name or 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 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 three 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 bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount in question, including interest charges, and we can apply any unpaid interest and charge against your credit limit. We do not have to pay any questions you may have about the amount of your bill while you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any interest charges related to any questioned amount. If we did not make a mistake, you may have to pay interest 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 the matter has been settled between us when it finally is. If we do not follow these rules, we cannot collect the first $50 of the questioned amount, unless you fail to contest it within 30 days of our notice.

Special Rule for Credit Card Accounts. If you have a problem with the quality of the services or properties 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:

1. 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.

2. The purchase price must have been more than $50.

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