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M# 98549

MAFCU Business Visa® Credit Card Agreement And Truth-In-Lending Disclosure

In this Agreement the words "you" and "your" and "Obligors" mean each and all of those who apply for the card, sign the application or use the card. "Card" means a Visa credit card and any duplicates and renewals we issue. "Account" means the Visa Credit Card Line of Credit account with us. "We," "us" and "ours" mean this Credit Union.

PROVISIONS APPLICABLE TO MEMBER BUSINESS AND GUARANTORS

The business and individual names on the front (collectively, "Obligors") represent that all information in this application is accurate and complete, each is competent to enter into contracts, and no bankruptcy proceedings involving any of the Obligors are in process or anticipated. The Obligors agree to pay any and all charges in accordance with their periodic statement from the Credit Union. The Credit Union is not obligated to grant the Obligors credit, or may offer a lower amount, and the Credit Union may retain this application whether or not credit is granted. The Obligors authorize the Credit Union to obtain information from others concerning the Obligors' respective credit standings and other relevant information impacting this application and, if credit is granted, from time to time throughout the term of the indebtedness, including obtaining the Obligors' personal credit reports and file copies of financial statements from any accountant or accounting firm. In addition to the information requested on this application, the Credit Union may subsequently request additional information from the Obligors. All appropriate corporate or other similar actions needed to authorize the indebtedness incurred hereunder have been accomplished. If Business is a proprietorship, owner certifies that the Business name is a trade name used in the conduct of an unincorporated business owned entirely by the owner. The obligor shall be jointly and severally liable for charges incurred on any credit card account issued to Business whether issued to Business individually or jointly with any other applicant and agree to be bound by all terms, provisions, and conditions contained in the Credit Union's Business Visa Credit Card Agreement, as amended from time to time. The Agreement will contain, among other things, the interest rate and repayment terms. The Obligors further agree that any facsimile transmission may be treated as an original and such facsimile or any reproduction hereof shall be admissible into evidence as the original itself in any judicial or administrative proceeding, whether or not the original is still in existence. The Obligors certify that they do not live in, and this application is not being executed in, California, Maine, Rhode Island or Vermont. Except as otherwise prohibited by law the Obligors agree and consent that the Credit Union may provide to others information about the Credit Union's transactions and experiences with the Obligors. Also, the Credit Union and its affiliates may share with each other all information about the Obligors that Medical Area Federal Credit Union has or may obtain for the purposes, among other things, of evaluating credit applications or offering the Obligors products or services that Medical Area Federal Credit Union believes may be of interest to the Obligors. Under the Fair Credit Reporting Act there is certain credit information that cannot be shared about any individual Obligor named on the front if the individual tells Medical Area Federal Credit Union by writing to Medical Area Federal Credit Union, 365 Boylston Street, Brookline, MA 02445 including name, address, account number and Social Security number.

PERSONAL GUARANTY:

The Obligor(s) hereby agrees to unconditionally, absolutely and irrevocably personally guarantee payment of all amounts due under, and the performance under the terms of, Medical Area Federal Credit Union Business Visa Credit Card Agreement and Disclosure ("Agreement"), and further agrees to pay the total balance due on the Credit Line Account ("Account") opened pursuant to the Agreement upon demand, in the event of any default under the Agreement that governs the Account. The Obligor(s) waives any notices regarding the agreement or this guaranty, and the signed Obligor(s) agrees that Medical Area Federal Credit Union may report their liability for and the status of the account to credit bureaus and others who may lawfully receive such information. No revocation of this Personal Guaranty shall be effective until thirty days after RECEIPT by the Credit Union or WRITTEN notice of revocations, and any such revocation shall not affect, in any respect, Obligor's guaranty hereunder of any and all indebtedness arising or resulting from the Business Visa Credit Card Agreement and Disclosures, incurred prior to the effective date of revocation.

1. Responsibility. If we issue a card, you agree to pay all debts and the FINANCE CHARGE arising from the use of the card and the card account. You are responsible for charges made by anyone else to whom you give the card, and this responsibility continues until the card is recovered. You cannot disclaim responsibility by notifying us, but we will close the account for new transactions if you so request and return all cards. Your obligation to pay the account balance continues even though an agreement, divorce decree, or other court judgment to which we are not a party may direct you or one of the other persons responsible to pay the account. Section 14 also applies to your account. You agree that you will not use or allow anyone else to use your card for any transaction that is illegal under applicable federal, state or local laws.

2. Liability for Unauthorized Use/Lost or Stolen Card Notification. You agree to notify us immediately, orally or in writing at 365 Boylston Street, Brookline, MA 02445 or telephone 800-449-7728 twenty-four (24) hours a day, seven (7) days a week, or 617-278-5600 or 800-556-2328, Monday through Friday, 8:30 A.M. to 4:00 P.M., of the loss, theft or unauthorized use of your Credit Card. You may be liable for the unauthorized use of your Credit Card. You will not be liable for the unauthorized use that occurs after you notify us of the loss, theft, or possible unauthorized use. You will have no liability for unauthorized purchases made with your credit card, unless you are grossly negligent in the handling of your card. In any case, your liability will not exceed \$50.00.

3. Credit Line. If we approve your application, we will establish a self-replenishing Line of Credit for you and notify you of its amount when we issue the card. You agree not to let the account balance exceed this approved Credit Line. Each payment you make on the account will restore your Credit Line by the amount of the payment which is applied to principal. You may request an increase in your Credit Line, which we must approve. By giving you written notice, we may reduce your Credit Line from time to time or, with good cause, revoke your card and terminate this Agreement. Good cause includes failure to comply with this Agreement or our adverse re-evaluation of credit-worthiness. You may also terminate this Agreement at any time, but termination by either of us does not affect your obligation to pay the account balance. The cards remain our property, and you must recover and surrender to us all cards upon our request and upon termination of this Agreement.

4. Credit Information. You authorize us to investigate your credit standing when opening, renewing, or reviewing your account, and you authorize us to disclose information regarding your account to credit bureaus and other creditors who inquire of us about your credit standing.

5. Details About Your Monthly Payment.

(a) **Monthly Statement.** We will mail you a statement every month showing your Previous Balance of purchases and cash advances, the current transactions on your account, the remaining credit available under your Credit Line, the Total New Balance, the FINANCE CHARGE billed for that statement period, and the Minimum Payment Required.

(b) **Minimum Payment.** Every month you must pay at least the Minimum Payment within 25 days of your statement closing date. By separate agreement you may authorize us to charge the minimum payment automatically to your share or share draft account with us. You may, of course, pay more frequently, pay more than the minimum payment, or pay the Total New Balance in full, and you will reduce the FINANCE CHARGE by doing so. The Minimum Payment will be any portion of the Minimum Payments shown on prior statements which remain unpaid plus either (a) 3% of Total New Balance or \$20.00, whichever is greater, or (b) the Total New

Balance if it is less than \$20.00. In addition, at any time the Total New Balance exceeds your Credit Line, you must immediately pay the excess upon our demand.

(c) **Payments made to your account will be applied in the following order:** Fees and Finance Charges; Previously Billed Purchases; Cash Advances; New Purchases. We may accept checks marked "payment in full" or words of similar effect without losing any of our rights to collect the full balance of your account with us.

6. Finance Charges.

(a) **When Finance Charge Begins.** A finance charge will be imposed on cash advances from the date made or from the first day of the billing cycle in which the cash advance is posted to the account, whichever is later, and will continue to accrue until the date of payment. A finance charge will be imposed on all purchases and cash advances from the time of the transaction. There is no grace period. The Finance Charge for a billing cycle is computed by applying the daily Periodic Rate to the average daily balance of Credit Purchases, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. ANNUAL PERCENTAGE RATE is to be determined or 0.05% daily Periodic Rate. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle any new Credit Purchases posted to your account, and subtracting any payments as received and credits as posted to your account, but excluding any unpaid Finance Charges. The effect of an increase in the Annual Percentage Rate will result in a higher amount of the minimum payment being applied to interest. The outstanding principal balance will be reduced more slowly, resulting in a higher payment in the next billing cycle. Because the principal balance will be reduced more slowly, additional payments will be required to pay off the remaining balance.

(i) **Cash Advances.** The finance charge on cash advances for a billing cycle is computed by applying the daily periodic rate to the average daily balance, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance is determined by adding to the previous balance for cash advances (the outstanding cash advance balance of your account at the beginning of the billing cycle) any new cash advances received and subtracting any payments as received or credits as posted to your account, but excluding any unpaid finance charges.

(ii) **Purchases.** The finance charge on purchases for a billing cycle is computed by applying the daily periodic rate to the average daily balance of purchases, which is determined by dividing the sum of the daily balances of purchases during the billing cycle by the number of days in the cycle. Each daily balance of purchases is determined by subtracting from the outstanding unpaid balance of purchases at the beginning of the billing cycle any payments as received and credits as posted to your account, but excluding any unpaid finance charges.

7. Default. You will be in default if you fail to make any Minimum Payment within 25 days after the monthly statement closing date. You will also be in default if your ability to repay is materially reduced by a change in your employment, an increase in your obligations, bankruptcy or insolvency proceedings involving you, your death, or your failure to abide by this Agreement. We have the right to demand immediate payment of your full account balance or increase your minimum payment if you default, subject to our giving you any notice required by law.

8. Using the Card. To make a purchase or cash advance, there are two alternative procedures to be followed. One is to present the card to a participating Visa plan merchant, to us, or to another financial institution, and sign the sales or cash advance draft which is imprinted with the card. The other is to complete the transaction by using your Personal Identification Number (PIN) in conjunction with the card in an Automated Teller Machine or other type of electronic terminal that provides access to the Visa system. The monthly statement will identify the merchant, electronic terminal, or financial institution at which transactions were made, but sales, cash advance, credit, or other slips cannot be returned with the statement. You must retain the copy of such slips furnished at the time of the transaction in order to verify the monthly statement. The Credit Union may make a reasonable charge for photocopies of slips you request.

9. Returns and Adjustments. Merchants and others who honor the Card may give credit for returns or adjustments, which we will post to your account. If your credits and payments exceed what you owe us, we will hold and apply this credit balance against future purchases and cash advances, or, if it is \$1.00 or more, refund it on your written request or automatically after six months.

10. FOREIGN TRANSACTIONS. Purchases and cash advances made in foreign currencies will be debited from your Account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date, in each instance plus an additional 1%. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

11. Plan Merchant Disputes. We are not responsible for the refusal of any plan merchant or financial institution to honor the card. We are subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the card only if you have made a good faith attempt but have been unable to obtain satisfaction from the plan merchant, and (a) your purchase was made in response to an advertisement we sent or participated in sending to you; or (b) your purchase cost more than \$50.00 and was made from a plan merchant in your state or within 100 miles of your home. Any other disputes you must resolve directly with the plan merchant.

12. Security Interest. You are giving a security interest in all present and future shares or monies in the Credit Union in which you have an interest. Collateral securing this loan may also secure other loans with the Credit Union. You may give a security interest in a specific amount of your share account with the Credit Union by signing a separate pledge of shares agreement. If you give a security interest to the Credit Union, you must maintain the amount of the security given in your account(s) at all times during which you have the right to use your card(s). Other than this security interest we will assert any statutory right we may have if you are in default.

13. Effect of Agreement. This Agreement is the contract which applies to all transactions on your account even though the sales, cash advance, credit, or other slips you sign or receive may contain different terms. We may amend this Agreement from time to time by sending you the advance written notice required by law. Your use of the card thereafter will indicate your agreement to the amendments. To the extent the law permits, and we indicate in our notice, amendments will apply to your existing account balance as well as to future transactions.

14. Joint Liability. Each person who has signed the application, applied for a card or used a card will be individually and jointly responsible for paying all amounts owed under this Agreement. This means that the Credit Union can require any one of you individually to repay the entire amount owed under this Agreement. Each of you authorizes the other(s) to make purchases or cash advances individually. Any one of you may terminate the account and the termination will be effective as to all of you.

15. Other Charges. The following other charges will be added to your account, as applicable: Over-the-Credit-Limit Fee of \$15.00, Late Fee of \$20.00, Card Replacement Fee of \$10.00.

16. Copy Received. You acknowledge 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 wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill in 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 share draft 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 you question, including finance charges, and we can apply an 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 bill that are not in question. If we find that we made a mistake on your bill, 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 ten days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. 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 bill 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 if we mailed you the advertisement for the property or services