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CREDIT LINE ACCOUNT AGREEMENT AND DISCLOSURE

THIS IS YOUR CREDIT LINE ACCOUNT AGREEMENT AND IT INCLUDES NECESSARY FEDERAL TRUTH-IN-LENDING DISCLOSURE STATEMENTS AND ANY SPECIAL INSTRUCTIONS REGARDING THE USE OF YOUR VISA CLASSIC, VISA PLATINUM AND SHARE SECURED VISA CLASSIC CREDIT CARDS AND/OR ANY OTHER ACCOUNT ACCESS DEVICE. PLEASE READ THIS AGREEMENT CAREFULLY AND NOTIFY US AT ONCE IF ANY PARTS ARE UNCLEAR.

Interest Rate and Interest Charges	
Annual Percentage Rate (APR) For Purchases	VISA Classic <u>11.500</u> % Share Secured VISA <u>11.500</u> % VISA Platinum <u>08.900</u> %
Annual Percentage Rate (APR) For Balance Transfers	VISA Classic <u>11.500</u> % Share Secured VISA <u>11.500</u> % VISA Platinum <u>08.900</u> %
Annual Percentage Rate (APR) For Cash Advances	VISA Classic <u>11.500</u> % Share Secured VISA <u>11.500</u> % VISA Platinum <u>11.500</u> % Easy Access Account <u>11.500</u> %
Penalty APR And When it Applies	15.90% This APR may be applied to Your VISA Feature Category if: 1) Your VISA Feature Category is 60 or more 60 days past due. How Long Will The Penalty APR Apply?: If Your APRs are increased for this reason, the Penalty APR applied to transactions that occur after the increase may be applied indefinitely. If the Penalty APR is later applied to transactions that occurred prior to the effective date of the initial increase (because of a delinquency in excess of 60 days past due), the subsequent increase will apply unless 6 consecutive payments are received on or before the due date during the six-month period following such increase.
Paying Interest	For VISA, We will not charge You interest on purchases if You pay Your entire balance owed each month within 28 days of Your statement closing date. For all Feature Categories, We will begin charging interest on cash advances and balance transfers on the transaction date.
Minimum Interest Charge	For VISA, if You are charged interest the charge will be no less than \$1.00.
For Credit Card Tips from the Federal Reserve Board	To learn more about factors to consider when applying for or using a Credit Card, visit the website of the Federal Reserve Board at http://www.federalreserve.gov/creditcard .
Fees	
Transaction Fees • Foreign Transaction Fee	For VISA, 1.00% of each foreign currency transaction in U.S. dollars. For VISA, 1.00% of each U.S. Dollar transaction that occurs in a foreign country.
Penalty Fees • Returned Payment • Late Payment	For VISA, up to \$20.00 Except VISA, \$20.00 Except VISA, 5.00% of the payment due, after 14 days For VISA, up to \$15.00 after 15 days

How We Will Calculate Your Balance: We use a method called "average daily balance (including new purchases)." See Your Account Agreement for details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided in Your Account Agreement.

DEFINITIONS. In this Agreement, the reference to "We", "Us", "Our" and "Credit Union" mean ISABELLA COMMUNITY CREDIT UNION. The words "You" and "Your" mean each person accepting this Agreement. The words "Credit Card" or "Card" mean any VISA Classic, VISA Platinum or Share Secured VISA Credit Cards issued to You by Us and any duplicates and renewals. "Convenience Checks" mean the special Account access devices that We may provide for Your use from time to time. If this is a joint account, read singular pronouns in the plural.

You, as the Borrower, under a Credit Line Account ("Account"), understand that the following Federal Disclosure Statement and the terms and conditions found herein constitute Our Agreement with You. Your Account may be accessible through a variety of means which could include advance request forms, vouchers, checks, charge slips, Credit Cards, Convenience Checks and the like. Regardless of the access means, You promise to pay Us all amounts charged to Your Account by You or by any user who has access to Your Account, with actual, apparent or implied authority for use of Your Account, including Finance Charges and other fees or charges described herein.

FEATURE CATEGORIES. Your Account has Feature Categories which may include VISA Classic, VISA Platinum, Share Secured VISA, Easy Access Account (including Overdraft Protection).

Account Feature Categories	Monthly Periodic Rate For Purchases	Annual Percentage Rate For Purchases
VISA Classic	<u>00.958</u> %	<u>11.500</u> %
VISA Platinum	<u>00.742</u> %	<u>08.900</u> %
Share Secured VISA	<u>00.958</u> %	<u>11.500</u> %
Account Feature Categories	Monthly Periodic Rate For Balance Transfers	Annual Percentage Rate For Balance Transfers
VISA Classic	<u>00.958</u> %	<u>11.500</u> %
VISA Platinum	<u>00.742</u> %	<u>08.900</u> %
Share Secured VISA	<u>00.958</u> %	<u>11.500</u> %
Account Feature Categories	Monthly Periodic Rate For Cash Advances	Annual Percentage Rate For Cash Advances
VISA Classic	<u>00.958</u> %	<u>11.500</u> %
VISA Platinum	<u>00.958</u> %	<u>11.500</u> %
Share Secured VISA	<u>00.958</u> %	<u>11.500</u> %
Account Feature Categories	Daily Periodic Rate	Annual Percentage Rate
Easy Access Account (Including Overdraft Protection)	<u>.03151</u> %	<u>11.500</u> %

TRANSACTIONS/ADVANCES. Whenever You request a transaction or an advance, We may require You to prove Your identity. If You request an advance by telephone, We will deposit the amount requested in Your share account or Your share draft account and You authorize Us to do this, or We will draw a draft or check made payable to You and mail it to You. When the amount advanced appears on a subsequent statement, that will be conclusive evidence of Your telephone request. You understand that whether or not any specific secured advance request is approved depends upon how much equity You have or will have in the Shares being pledged as security.

SECURITY. As permitted by law, to secure all transactions under this Agreement in either joint or individual Accounts, We have the right to impress and enforce a statutory lien against Your shares on deposit with Us (other than those deposits established under a governmental approved tax deferral plan such as an IRA or Keogh account), and any dividends due or to become due to You from Us to the extent that You owe any unpaid balance on Your Account and We may enforce Our right to do so without further notice to You. Additionally, You agree that We may set-off any mutual indebtedness. You acknowledge that You own any shares pledged and that there are no liens against them other than Ours. You agree to perform all acts which are necessary to make Our security interest in the shares pledged enforceable.

OTHER SECURITY. Collateral (other than household goods or any dwelling) given as security under this Agreement or for any other loan You may have with Us will secure all amounts You owe Us now and in the future if that

status is reflected in the "Truth-in-Lending Disclosure" in any particular Agreement evidencing such debt.

CONSENSUAL LIEN ON SHARES. If You have been issued a Credit Card, You grant and consent to a lien on Your shares or other deposit accounts with Us (except for IRA or Keogh accounts) and any dividends due or to become due to You from Us to the extent You owe on any unpaid Credit Card balance.

LINE OF CREDIT LIMITS. We will notify You of the Credit Limits given You for each Feature Category of Your Account. We expect that You will make repeated advances and unless You are in default, Your Credit Limit will generally be self-replenishing as You make payments. You promise to keep Your unpaid balance within Your Credit Limit and You will pay any amount over Your Credit Limit on Our demand whether or not We authorize the advance or transaction which caused You to exceed Your Credit Limit. Even if Your unpaid balance is less than Your Credit Limit, You will have no credit available during any time that any aspect of Your Account is in default.

JOINT ACCOUNTS. Each Borrower will be responsible, jointly and severally, for the repayment of amounts owed. If any Account access device, such as a Credit Card, is requested and approved, You understand that any such Account access device(s) will be mailed only to the Borrower(s) at the address indicated on the application for Your Account. We may refuse to follow any instructions which run counter to this provision.

FINANCE CHARGES (EXCEPT FOR VISA TRANSACTIONS). A Finance Charge will be assessed on any unpaid principal balance(s) for each Feature Category of Your Account for the period such balance(s) is outstanding. Balance(s) change each time advances are made, payments are made, or credits given under any particular Feature Category. The Finance Charge begins to accrue on the date of each advance and there is no free ride period.

HOW TO DETERMINE THE FINANCE CHARGE (EXCEPT FOR VISA TRANSACTIONS). For all Feature Categories (except for VISA) the Finance Charge is determined by multiplying Your unpaid balance at the close of each day of the billing cycle being accounted for by the applicable Daily Periodic Rate after payments, credits and unpaid Finance Charges have been subtracted and new advances or other charges have been added to Your unpaid balance. These daily Finance Charges are then added together and the sum is the amount of Finance Charge owed for the Feature Category being accounted for. The total Finance Charge You owe on Your Account for each billing cycle is the sum of all the Finance Charges due for all applicable Feature Categories.

MINIMUM MONTHLY PAYMENTS (PAYMENT SCHEDULE). Though You need only pay the Minimum Monthly Payments, You understand that You have the right to repay or prepay Your Account at any time without penalty. You may make larger payments without penalty at any time. If periodic Finance Charges apply, You will only be charged such Finance Charges to the date You repay Your entire Account balance. Any partial payment or prepayment of Your Account will not delay Your next scheduled payment. All payments to Us must be in lawful money of the United States. We may apply each payment to whichever Feature Category We wish. For all Feature Categories (except VISA), payments will be applied first to any Fees and Charges owing, then to Finance Charges due then to outstanding principal balance.

VISA Minimum Monthly Payments will be applied in the following order: (a) Finance Charges on cash advances; (b) Finance Charges on balance transfers; (c) Finance Charges on purchases; (d) any previously billed yet unpaid Fees and Charges; (e) the portion of Your minimum payment due for cash advances; (f) the portion of Your minimum payment due for balance transfers; (g) the portion of Your minimum payment due for purchases; (h) Your previously billed yet unpaid balance for cash advances; (i) Your previously billed yet unpaid balance for balance transfers; (j) Your previously billed yet unpaid balance for purchases; (k) Your remaining balance for cash advances; (l) Your remaining balance for balance transfers; (m) Your remaining balance for purchases; and then to (n) any unbilled Fees and Charges owing. As required by law, any amounts paid in excess of the Minimum Monthly Payment will first be applied to the balance bearing the highest rate of interest, and then to each successive balance bearing the next highest rate of interest, until the payment is depleted.

Any unpaid portion of the Finance Charge will be paid by subsequent payments and will not be added to Your principal balance. You understand that any payment that delays the repayment of Your unpaid balance will increase Your Finance Charge and any payment that accelerates the reduction of Your unpaid balance will decrease Your Finance Charges.

Minimum Monthly Payments for VISA Classic, VISA Platinum and Share Secured VISA will be an amount equal to 3.00% of Your unpaid balance at the end of each billing cycle, subject to the lesser of \$10 or Your balance. In addition to the Minimum Monthly Payment, You will also be required to pay any prior payments due which remain unpaid and any amounts which exceed Your credit limit.

Minimum Monthly Payments for Easy Access Accounts (including Overdraft Protection) will be established and fixed at the time of each advance at an amount equal to \$3.00 per \$100 of Your then outstanding Account balance, subject to the lesser of \$20 or Your Account balance.

You may, by separate Agreement, authorize Us to charge the Minimum Monthly Payment automatically to Your share or share draft account.

LATE CHARGE (EXCEPT VISA). If Your payment is 15 or more days late, You will be charged 5.00% of the payment due.

OTHER FEES AND CHARGES (EXCEPT VISA). You will be charged \$20 for any check (or other negotiable instrument used for payment) which is returned unpaid.

OVERDRAFT PROTECTION. We may transfer funds in the amount necessary (or in such increments as We may from time to time determine) to clear any overdraft on Your share draft account by an advance on Your Easy Access Account (including Overdraft Protection) Feature Category subject to this provision. Whether or not such a transfer occurs will be controlled by this Agreement. In any event, You hold Us harmless from any and all liability which might otherwise arise if the transfer does not occur. Your Overdraft Protection automatically ceases if this Agreement is ever canceled or terminated or Your Account is in default.

OUR RESPONSIBILITIES TO HONOR CONVENIENCE CHECKS. We are under no obligation to honor Your Convenience Checks if: (1) by paying a Convenience Check, You would exceed Your Credit Limit; (2) Your Cards or Convenience Checks have been reported lost or stolen; (3) Your Account has been canceled or has expired. If a postdated Convenience Check is paid and, as a result, any other Convenience Check is returned unpaid, We are not responsible for any resulting loss or liability.

PERIODIC STATEMENTS. On a regular basis, You will receive a printed statement showing all transactions on Your Account including amounts paid and borrowed since Your last statement. We will mail You a statement each month in which there is a debit or credit balance or when a Finance Charge is imposed. We need not send You a statement if We feel Your Account is uncollectable or if We have started collection proceedings against You because You defaulted. Each statement is deemed to be a correct statement of account unless You establish a billing error pursuant to the Fair Credit Billing Act.

DEFAULT. You will be in default if: (a) You do not make any payment or perform any obligation under this Agreement, or any other agreement that You may have with Us; or (b) You should die, become involved in any insolvency, receivership or custodial proceeding brought by or against You; or (c) You have made a false or misleading statement in Your credit application and/or in Your representations to Us while You owe money on Your Account; or (d) A judgment or tax lien should be filed against You or any attachment or garnishment should be issued against any of Your property or rights, specifically including anyone starting an action or proceeding to seize any of Your funds on deposit with Us; and/or (e) We should, in good faith, believe Your ability to repay Your indebtedness hereunder is or soon will be impaired, time being of the very essence.

If You are in default, We may, to the extent permitted by law, cancel Your rights under this Agreement, declare the entire unpaid balance of every Feature Category of Your Account immediately due and payable and require the return of all access devices.

ENFORCEMENT. We do not lose Our rights under this or any related agreement if We delay enforcing them. We can accept late payments, partial payments or any other payments, even if they are marked "paid in full" without losing any of Our rights under this Agreement. If any provision of this or any related agreement is determined to be unenforceable or invalid, all other provisions remain in full force and effect.

COLLECTION COSTS. To the extent permitted by law, You agree to reimburse Us for all of Our costs and expenses, including actual attorneys' fees, incurred in the course of collecting any amounts owed under this Agreement or in the recovery of any collateral.

CREDIT INSURANCE. Credit insurance is not required for any extension of credit under this Agreement. However, You may purchase any credit insurance available through Us and have the premiums added to the outstanding balance of the applicable Feature Category of Your Account. If You elect to do so, You will be given the necessary disclosures and documents separately.

INTEGRATED DOCUMENTS. Any separate sheet of paper labeled "Additional Disclosure - Federal Truth-in-Lending Act" or "Credit Line Account Advance Request" which is delivered together with this Agreement or provided at a later time is an integrated part of this Agreement and Disclosure.

NOTIFICATION OF ADDRESS CHANGE. You will notify Us promptly if You move or otherwise have a change of address.

CHANGE IN TERMS. We may change the terms of this Agreement by mailing or delivering to You written notice of the changes as prescribed by the Federal Truth-in-Lending Act. To the extent permitted by law, the right to change the terms of this Agreement includes, but is not limited to, the right to change the periodic rate applicable to Your unpaid balance and/or future advances.

CONSENT TO AGREEMENT. You acknowledge receipt of a copy of this Agreement. By signing any application for Your Account, or by using any Account access device, by using Your Account or by authorizing another to use Your Account, You agree to and accept its terms.

UPDATING AND DISCLOSING FINANCIAL INFORMATION. You will provide facts to update personal information or other financial information related to You, at Our request. You also agree that We may, from time to time, as We deem necessary, make inquiries pertaining to Your employment, credit standing and financial responsibility in accordance with applicable laws and regulations. You further agree that We may give information about the status and payment history of Your Account to consumer credit reporting agencies, a prospective employer or insurer, or a state or federal licensing agency having any apparent legitimate business need for such information.

TERMINATION. Either You or We may cancel Your Account or any particular Feature Category of Your Account, at any time, whether or not You are in default. You will, in any case, remain liable to pay any unpaid balances according to the terms of Your Account.

GOVERNING LAW. This Agreement is controlled and governed by the laws of the State of Michigan except to the extent that such laws are inconsistent with controlling federal law.

SPECIFIC TERMS APPLICABLE TO YOUR VISA CLASSIC, VISA PLATINUM AND SHARE SECURED VISA CREDIT CARDS

OWNERSHIP. Your Card remains Our property and may be canceled by Us at any time without notice. You agree to surrender the Card and to discontinue its use immediately upon Our request.

USE OF YOUR CARD. You may use Your Card to buy goods and services in any place that it is honored and to get cash advances from Us or another financial institution. You agree not to use Your Card for illegal transactions including, but not limited to, advances made for the purpose of gambling and/or wagering where such practices are in violation of applicable state and/or federal law.

ISSUANCE OF PERSONAL IDENTIFICATION NUMBER. We will issue You, upon Your request, a Personal Identification Number (PIN) for use with Your Card. This PIN is confidential and should not be disclosed to anyone. You may use Your PIN and Your Card to access Your Account and all sums advanced will be added to Your Account balance. In the event a use of Your PIN constitutes an Electronic Fund Transfer, the terms and conditions of Your Electronic Fund Transfer Agreement may affect Your rights.

EFFECT OF AGREEMENT. Even though the sales, cash advance, receipt or other slips You may sign or receive when using the Card contain terms, this Agreement is the contract which solely applies to all transactions involving the Card.

UNAUTHORIZED USE. You may be liable for the unauthorized use of Your Card. You will not be liable for the unauthorized use that occurs after You notify Us verbally or in writing at the address or telephone number shown in this Agreement, telling Us of the loss, theft, or possible unauthorized use.

FINANCE CHARGES. In the case of any transactions under Your VISA Classic, VISA Platinum or Share Secured VISA Feature Categories, the balances subject to the periodic Finance Charge are the average daily transactions balances outstanding during the month (including any new transactions). Separate average daily balances are calculated for purchases, balance transfers and cash advances. To get each average daily balance, each daily balance for each day of the billing cycle for purchases, balance transfers and cash advances are added and the separate totals are divided by the number of days in the billing cycle. To get the daily balance for purchases, new purchases are added to the day's beginning balance and payments and credits are subtracted. To get the daily balance for balance transfers, new balance transfers are added to the day's beginning balance and payments and credits are subtracted. To get the daily balance for cash advances, new cash advances are added to the day's beginning balance and payments and credits are subtracted. We then multiply these separate average daily balances for purchases, balance transfers and cash advances by the applicable Monthly Periodic Rate.

You can avoid Finance Charges on purchases by paying the full amount of the entire balance owed each month within 28 days of Your statement closing date. Otherwise, the new balance of purchases, and subsequent purchases from the date they are posted to Your Account, will be subject to a Finance Charge. Cash advances and balance transfers are always subject to a Finance Charge from the date they are posted to Your Account.

The minimum **FINANCE CHARGE** that You will be required to pay in any billing cycle that a Finance Charge is due is \$1.00.

VISA PENALTY RATE. If Your VISA Feature Category is 60 days past due at any time, subject to applicable law, the Monthly Periodic Rate applicable to all future transactions will increase to 1.3250% (corresponding **ANNUAL PERCENTAGE RATE** 15.90%).

If Your VISA Feature Category is more than 60 days past due, subject to applicable law, the Monthly Periodic Rate applicable to Your entire balance of transactions existing at that time will also increase to 1.3250% (corresponding **ANNUAL PERCENTAGE RATE** 15.90%). Upon receipt of the first six consecutive required minimum periodic payments when due during the six-month period following the effective date of the increase, the rate applicable to the balance of transactions that occurred prior to such increase will be returned to the standard rate that would have otherwise been in effect.

TRANSACTION SLIPS. Your monthly statement will identify that merchant, electronic terminal or financial institution at which transactions were made, but sales, cash advances, credit or other slips cannot be returned with the statement.

CREDITS. If a merchant who honors Your Card gives You credit for returns or adjustments, the merchant will do so by sending Us a slip which will be posted to Your Account. If Your credits and payments exceed what You owe Us, We will hold and apply this credit against future purchases and cash advances, or if it is \$1.00 or more, refund it on Your written request or automatically deposit it to Your share account after 6 months.

LATE CHARGE. If Your payment is more than 15 days late, You will be charged the lesser of: (a) the amount of the minimum payment due; or (b) \$15.

OTHER FEES AND CHARGES. You will be charged the lesser of \$20 for any check (or other negotiable instrument used for payment) which is returned unpaid, or the required minimum payment amount for the returned payment.

FOREIGN TRANSACTIONS. For transactions initiated in foreign countries and foreign currencies, the exchange rate between the transaction currency and the billing currency (U.S. dollars) will be: (a) a rate selected by VISA from the 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 (b) the government-mandated rate in effect for the applicable central processing date. For transactions that are initiated in a foreign currency, You will be charged 1.00% of the final settlement amount. For transactions occurring in foreign countries and initiated in U.S. Dollars, You will be charged 1.00% of the final settlement amount.

REFUSAL TO HONOR CARDS OR CONVENIENCE CHECKS. We are not liable for the refusal or inability of merchants, financial institutions and others to

accept a Card or Convenience Check, or electronic terminals to honor a Card or complete a Card withdrawal, or for their retention of a Card.

LOST OR STOLEN CARDS AND/OR CONVENIENCE CHECKS. To report a lost or stolen Card, or Convenience Check, You will immediately call Us at (866) 333-4740 or write to Us at the address shown in this Agreement.

Your Billing Rights: Keep this Document for Future Use

This notice tells You about Your rights and Our responsibilities under the Fair Credit Billing Act.

What To Do If You Find A Mistake On Your Statement

If You think there is an error on Your statement, write to Us at Our address shown in this Agreement. In Your letter, give us the following information:

- **Account information:** Your name and Account number.
- **Dollar amount:** The dollar amount of the suspected error.
- **Description of problem:** If You think there is an error on Your bill, describe what You believe is wrong and why You believe it is a mistake.

You must contact Us:

- Within 60 days after the error appeared on Your statement.
- At least 3 business days before an automated payment is scheduled, if You want to stop payment on the amount You think is wrong.

You must notify Us of any potential errors in writing. You may call Us, but if You do We are not required to investigate any potential errors and You may have to pay the amount in question.

What Will Happen After We Receive Your Letter

When We receive Your letter, We must do two things:

- 1) Within 30 days of receiving Your letter, We must tell You that We received Your letter. We will also tell You if We have already corrected the error.
- 2) Within 90 days of receiving Your letter, We must either correct the error or explain to You why We believe the bill is correct.

While We investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report You as delinquent on that amount.
- The charge in question may remain on Your statement, and We may continue to charge You interest on that amount.
- While You do not have to pay the amount in question, You are responsible for the remainder of Your balance.
- We can apply any unpaid amount against Your Credit Limit.

After We finish Our investigation, one of two things will happen:

- **If We made a mistake:** You will not have to pay the amount in question or any interest or other fees related to that amount.
- **If We do not believe there was a mistake:** You will have to pay the amount in question, along with applicable interest and fees. We will send You a statement of the amount You owe and the date payment is due. We may then report You as delinquent if You do not pay the amount We think You owe.

If You receive Our explanation but still believe Your bill is wrong, You must write to Us within 10 days telling Us that You still refuse to pay. If You do so, We cannot report You as delinquent without also reporting that You are questioning Your bill. We must tell You the name of anyone to whom we reported You as delinquent, and We must let those organizations know when the matter has been settled between Us. If We do not follow all of the rules above, You do not have to pay the first \$50 of the amount You question even if Your bill is correct.

Your Rights If You Are Dissatisfied With Your Credit Card Purchases

If You are dissatisfied with the goods or services that You have purchased with Your 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 purchase. To use this right, all of the following must be true:

- 1) The purchase must have been made in Your home state or within 100 miles of Your current mailing address, and the purchase price must have been more than \$50. (Note: Neither of these are necessary if Your purchase was based on an advertisement We mailed to You, or if We own the company that sold You the goods or services.)
- 2) You must have used Your Credit Card for the purchase. Purchases made with cash advances from an ATM or with a check that accesses Your Credit Card account do not qualify.
- 3) You must not yet have fully paid for the purchase.

If all of the criteria above are met and You are still dissatisfied with the purchase, contact Us in writing at Our address shown in this Agreement.

While We investigate, the same rules apply to the disputed amount as discussed above. After We finish Our investigation, We will tell You Our decision. At that point, if We think You owe an amount and You do not pay, We may report You as delinquent.