Credit Card
Account Opening
Disclosure Rates

Interest rates and Interest Charges	
Annual Percentage Rate (APR) for Purchases, Balance Transfers, and Cash Advances	**9.18% - 17.65%**
Paying Interest	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. We will begin charging interest on cash advances and balance transfers on the transaction date.
For Credit Card Tips from the Consumer Finance Protection Bureau	To learn more about factors to consider when applying for or using a credit card, visit the website of the Consumer Finance Protection Bureau at **www.consumerfinance.gov**.

Fees	
Annual Fee	**None**
Transaction Fees	
· Balance Transfer	**$0**
· Cash Advance	**$0**
· Foreign Transaction	Up to **1%** of each transaction in U.S. dollars.
Penalty Fees	
· Late Payment	Up to **$25**
· Returned Payment	Up to **$25**

How We Will Calculate Your Balance: We use a method called "average daily balance (including new purchases)." See your Credit Card Terms & Conditions of Agreement below for more details.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights are provided below in the Credit Card Terms & Conditions of Agreement

Daily Periodic Rate and Annual Percentage Rate for Purchases, Cash Advances, and Balance Transfers: .0251507% (9.18% Annual Percentage Rate), .0278904% (10.18% Annual Percentage Rate), .0333699% (12.18% Annual Percentage Rate), .0483562% (17.65% Annual Percentage Rate).. This rate is subject to change as provided below in the Credit Card Terms & Conditions of Agreement.

Chocolate Bayou Community Federal Credit Union

1301 North Hwy 35 - Alvin TX 77511

MASTERCARD® CREDIT CARD TERMS & CONDITIONS OF AGREEMENT

TERMS USED IN THIS AGREEMENT: In this Agreement, "We," "our," "us," and "Credit Union" mean Chocolate Bayou Community Federal Credit Union or anyone to whom the Credit Union may transfer its rights under this Agreement. "You" and "your" mean any person who signs the application for the card or any person who uses the card. "The card" means any credit card issued to you or those designated by you under the terms of this Agreement. "Use of the card" means any procedure used by you, or by someone authorized by you, to make a purchase or obtain a cash advance whether or not the purchase or advance is evidenced by a signed written document. "Unauthorized use of the card" means the use of the card by someone other than you

who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit.

EXTENSIONS OF CREDIT: If your application is approved, the Credit Union may, at its discretion, establish a credit card account in your name and cause one or more cards to be issued to you or those designated by you. In such event, you authorize the Credit Union to pay for your account, all items reflecting credit purchases and cash advances obtained through use of the card. If your account is issued to you and others as a joint account, each use of your account shall be an extension of credit to all. Each of you shall be jointly and severally liable, and notice mailed to one of you shall be deemed notice to all.

JOINT APPLICANT LIABILITY: If this Agreement is executed by more than one person, each of you shall be jointly and individually liable to us for all charges made to the Account, including applicable fees. In addition, you agree that each of you designates the other as agent for the purpose of making purchases extended under this Agreement and each use of your Account shall be an extension of credit to all. Notice to one of you shall constitute notice to all. Any joint cardholder may remove him/herself from responsibility for future purchases at any time by notifying us in writing. However, removal from the Account does not release you from any liability already incurred.

CARD INFORMATION UPDATES AND AUTHORIZATIONS: If you have authorized a merchant to bill charges to your card on a recurring basis, it is your responsibility to notify the merchant in the event your card is replaced, your card information (such as card number and expiration date) changes, or the account associated with your card is closed. However, if your card is replaced or card information changes, you authorize us, without obligation on our part, to provide the updated card information to the merchant in order to permit the merchant to bill recurring charges to the card. You authorize us to apply such recurring charges to the card until you notify us that you have revoked authorization for the charges of your card.

Your card is automatically enrolled in an information updating service. Through this service, your updated card information (such as card number and expiration date) may be shared with participating merchants to facilitate continued recurring charges. Updates are not guaranteed before your next payment to a merchant is due. You are responsible for making direct payment until recurring charges resume. To revoke your authorization allowing us to provide updated card information to a merchant, please contact us.

OTHERS USING YOUR ACCOUNT: If you allow anyone else to use your account, you will be liable for all credit extended to such persons. You promise to pay for all purchases and advances made by anyone you authorize to use your account, whether or not you notify us that he or she will be using it. If someone else is authorized to use your account and you want to end that persons privilege, you must notify us in writing, and if he or she has a card, you must return that card with your written notice for it to be effective.

CREDIT LIMITS: You promise that payments made for your account resulting from use of the card will, at no time, cause the outstanding balance in your account to exceed your credit limit as established by us or as adjusted from time to time at the discretion of the Credit Union. If you exceed your credit limit, however, we can still charge you for those transactions without giving up any of our rights. Cash advances are limited to $2,000. Over-the-counter purchases are subject to a daily transaction limit of $2,500 or your available credit limit, whichever is lower. ATM cash advances are subject to a daily transaction limit of $500 or your available cash advance limit, whichever is lower.

PROMISE TO PAY: You promise to repay us in U.S. dollars for: (a) all purchases, cash advances, and balance transfers made by you or anyone whom you authorize to use the card or account; (b) **INTEREST CHARGES** and other charges or fees; (c) collection costs and attorney's fees as permitted by applicable law, and any costs incurred in the recovery of the card; and (d) credit in excess of your credit limit that we may extend to you. At the end of each monthly billing

In addition to the minimum payment shown on your periodic statement, you agree to pay any amounts in excess of the credit limit established by us and any past due minimum payments. You may make extra payments in advance of the due date without penalty, and you may repay any funds advanced, credit extended, or amount outstanding at any time without penalty for early payment. Regardless of the amount of any extra payments during a given month, a monthly payment will be required the following month if a balance remains in your account.

COST OF CREDIT: You will pay an **INTEREST CHARGE** for all advances made against your account. **INTEREST CHARGES** for cash advances and balance transfers begin to accrue on the date of the advance. New purchases will not incur an **INTEREST CHARGE** on the date they are posted to your account if you have paid the account in full by the payment due date shown on your previous monthly statement or if there was no previous balance. The payment due date will be not less than 25 days from the billing cycle closing date shown on your statement. No additional **INTEREST CHARGE** will be imposed on purchases whenever you pay the account in full on or before the payment due date reflected on your statement. The rate for all advances on your account is based on your creditworthiness and will range from a periodic rate of .0251507% to .0483562% per day, corresponding to an **ANNUAL PERCENTAGE RATE** ranging from 9.18% to 17.65%. Your initial Daily Periodic Rate and corresponding **ANNUAL PERCENTAGE RATE** for all advances appear above in the Account Opening Disclosures.

After your account has been open for at least one year, you may request a credit limit increase. Based on your creditworthiness and in connection with your request, we may adjust your Daily Periodic Rate and corresponding **ANNUAL PERCENTAGE RATE** according to the following tier structure. We will notify you at least 45 days in advance of any change in your Daily Periodic Rate and corresponding **ANNUAL PERCENTAGE RATE**. Rate changes to your Account, if any, will take effect on the first day of the calendar quarter following the 45-day notice and will only affect new balances. Existing balances will remain subject to the Daily Periodic Rate and corresponding **ANNUAL PERCENTAGE RATE** in effect immediately before the effective date of the change until they are paid in full.

Premium A Daily Periodic Rate of .0251507%, corresponding to an **ANNUAL PERCENTAGE RATE** of 9.18%.

Standard A Daily Periodic Rate of .0278904%, corresponding to an **ANNUAL PERCENTAGE RATE** of 10.18%.

Tier I Rate A Daily Periodic Rate of .0333699%, corresponding to an **ANNUAL PERCENTAGE RATE** of 12.18%.

Tier II Rate A Daily Periodic Rate of .0483562%, corresponding to an **ANNUAL PERCENTAGE RATE** of 17.65%.

A portion of the **INTEREST CHARGE** is figured by applying the periodic rate to the “balance subject to **INTEREST CHARGE**”, which is the “Average Daily Balance” of your account, including certain current transactions. The Average Daily Balance is arrived at by taking the beginning balance of your account each day and adding any new cash advances (including balance transfers), and, unless you have paid your account in full by the due date shown on your previous monthly statement or there is no previous balance, adding in new purchases, and subtracting any payments or credits and unpaid **INTEREST CHARGES**. The daily balances for the billing cycle are then added together and divided by the number of days in the billing cycle. The result is the “average daily balance”. The **INTEREST CHARGE** is calculated by multiplying the average daily balance by the number of days in the billing cycle and applying the periodic rate to the product. You may pay any amounts outstanding at any time without penalty for early payment.

OTHER CHARGES: If you obtain a cash advance by using an automated teller machine, you

may be charged any amounts imposed upon the Credit Union by the owner or operator of the machine. If you do not pay your minimum payment within 10 days following your payment due date, you may be charged a Late Payment Fee equal to 10% of the minimum payment due with a maximum fee of $25. If payment is made by means of a check or any other form of payment that is dishonored or returned for any reason, you may be charged a Returned Payment Fee of $25 or an amount equal to the required minimum payment, whichever is less, in addition to fees charged by your financial institution. You may be charged a fee of $5 for each statement copy requested. You may be charged a fee of $5 if you request an expedited payment to your account using telephone operator assistance. You may be charged a fee of $5 per card to replace a lost or stolen card. Any charge made under this paragraph will be added to the balance of your account and treated as a purchase

CREDIT INSURANCE: If available, credit insurance is not required for any extension of credit under this Agreement. However, you may purchase any credit insurance available through the Credit Union and have the premium added to the outstanding balance in your account. If you elect to do so, you will be given the necessary disclosures and documents separately.

SECURITY: YOU SPECIFICALLY GRANT US A CONSENSUAL SECURITY INTEREST IN ALL INDIVIDUAL AND JOINT ACCOUNTS YOU HAVE WITH US NOW AND IN THE FUTURE TO SECURE REPAYMENT OF CREDIT EXTENSIONS MADE UNDER THIS AGREEMENT. THE GRANTING OF THIS SECURITY INTEREST IS A CONDITION FOR THE ISSUANCE OF ANY CARD WHICH YOU MAY USE, DIRECTLY OR INDIRECTLY, TO OBTAIN EXTENSIONS OF CREDIT UNDER THIS AGREEMENT.

Shares and deposits in an Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security are not subject to the security interest you are giving.

ADDITIONAL SECURITY: If you have other loans with us, now or in the future, collateral securing those loans may also secure your obligations under this Agreement. Please read any security agreement you sign in order to determine if the collateral also secures your obligations under this Agreement and other agreements you have with us.

LIABILITY FOR UNAUTHORIZED USE: You may be liable for the unauthorized use of your card. If you notice the loss or theft of your card or a possible unauthorized use of your card, you should call us immediately at:

(281) 331-2253 or (800) 442-4757 (24/7)

You may also write to us at:

Chocolate Bayou Community Federal Credit Union
P.O. Box 1694
Alvin, TX 77512-1694

Although you may write to notify us of unauthorized use, calling us immediately at the telephone number above is the best way to keep your possible losses down.

Under MasterCards® zero liability policy, you will not be liable for any unauthorized use of your MasterCard once you notify us orally or in writing of the loss, theft, or possible unauthorized use and you meet the following conditions: (1) you have exercised reasonable care with your card; (2) you have not reported two or more incidents of unauthorized use of your card within the previous 12 months; and (3) you have maintained your account in good standing. MasterCards zero liability policy does not apply to cash advances obtained at an ATM.

You will not be liable for any unauthorized use that occurs after you notify us. You may, however, be liable for unauthorized use that occurs before your notice to us. In any case, your liability will not exceed $50.00.

CREDITING OF PAYMENTS: We do not charge for payments made by regular mail service or any other standard payment methods we accept. There is a fee as set forth in the Other Charges section for using the expedited payment service. All payments made on your account at the address designated for payment on the monthly periodic statement or by any other approved payment methods will generally be credited to your account on the date of receipt. If the date of receipt for a mailed payment is not a business day, the payment may not be credited until the first business day following receipt. Payments received in person by one of our branch employees before the close of business will receive same-day credit. All minimum payments on your account will be applied first to collection costs, then to the **INTEREST CHARGE** as reflected on the most recent periodic statement, then to any fees and other charges due, and then any remainder to the unpaid principal balance. Payments received in excess of the minimum required payment will be applied first to the balance with the highest interest rate, if applicable. Interest paid or agreed to be paid shall not exceed the maximum amount permissible under applicable law, and in any contingency whatsoever, if we shall receive anything of value deemed interest under applicable law that would exceed the maximum amount of interest permissible under applicable law, the excessive interest shall be applied to the reduction of the unpaid principal amount or refunded to you.

DEFAULT: You will be in default: (1) if you fail to make any payment on time; (2) if you fail to keep any promises you have made under this or any other Agreement with the Credit Union; (3) if you become insolvent or are the subject of an order for relief under Title 11 of the U.S. Code (Bankruptcy); (4) if anyone tries, by legal process, to take any of your money in the Credit Union; (5) if you have given the Credit Union false or inaccurate information in obtaining your card; or (6) if anything happens which the Credit Union reasonably believes endangers your ability to repay what you owe.

ACCELERATION: If you are in default, the Credit Union may, without prior notice to you, call any amounts you still owe immediately due and payable plus **INTEREST CHARGES** which shall continue to accrue until the entire amount is paid. You expressly waive any right to notice or demand, including but not limited to, demand upon default, notice of intention to accelerate, and notice of acceleration.

NOTIFICATION ADDRESS FOR INFORMATION REPORTED TO CONSUMER REPORTING AGENCIES: We may report the status and payment history of your account to credit reporting agencies each month. If you believe that the information we have reported is inaccurate or incomplete, please notify us in writing at: Chocolate Bayou Community Federal Credit Union, P.O. Box 1694, Alvin, TX 77512-1694, Telephone No. (281) 331-2253. Please include your name, address, telephone numbers and account number.

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

TERMINATION OR CHANGES: We can terminate this Agreement at any time subject to such notice as may be required by applicable law. You may terminate this Agreement, by written notice as to future advances at any time. Termination by either party shall not affect your obligation to repay any payments made for your account resulting from use of the card as well as **INTEREST CHARGES** and other related charges.

The Credit Union may change the terms of this Agreement, including the method of calculating the periodic rate, at any time, subject to such notice as may be required by applicable law. If you use your card to make a purchase or obtain a cash advance after having been given notice of a change in terms, you agree that, to the extent permitted by applicable law, the existing balance in your account at the time of that use will be subject to the new terms, as shall subsequent uses.

ILLEGAL TRANSACTIONS: You agree that you will not cause or allow your card or account to be used in any manner or for any transaction that we believe poses an undue risk of illegality, and we may refuse to authorize any such use or transaction. You agree that any illegal use of the card will be deemed an act of default under this Agreement. You further agree to waive any right to take legal action against the Credit Union for your illegal use of the Card and to indemnify and hold the Credit Union and MasterCard International, Inc., harmless from and against any lawsuits, other legal action, or liability that results directly or indirectly from such illegal use.

INTERNATIONAL TRANSACTIONS: If you effect an international transaction with your MasterCard, MasterCard International will convert the charge into a U.S. dollar amount. MasterCard International will use its currency conversion procedure, which is disclosed to institutions that issue MasterCard cards. Currently, the currency conversion rate used by MasterCard International to determine the transaction amount in U.S. dollars for such transactions is generally either a government-mandated exchange rate or a wholesale exchange rate selected by MasterCard International for the applicable currency on the day the transaction is processed, which rate may differ from the applicable rate on the date the transaction occurred or when the transaction is posted to your account. We will charge a Foreign Transaction Fee of up to 1% of the transaction amount in U.S. dollars on all international purchase, cash disbursement, and account credit transactions, even if there is no currency conversion. There is no grace period within which to repay international transactions in order to avoid the Foreign Transaction Fee.

ADDITONAL PROVISIONS: Each provision of this Agreement must be considered as part of the total Agreement and cannot, in any way, be severed from it. However, you also agree that should any part of the Agreement be found invalid, it will in no way affect the remainder of the Agreement. You understand that the validity, construction and enforcement of this Agreement shall be governed by the laws of the State of Texas to the extent not preempted by federal law.

The Credit Union does not warrant any merchandise or services purchased by you with the card. All purchases and cash advances are extended at the option of the merchant or cash advancing financial institution and the Credit Union is not responsible for refusal of any merchant or financial institution to honor your card. The card remains our property at all times and you agree to immediately surrender the card at our demand. You agree to pay all reasonable costs of collection, including court costs and attorneys fees imposed, and any cost incurred in the recovery of the card.

We can accept late payment(s) or partial payment(s) or check(s) or money order(s) marked “payment in full” without losing any of our rights under this Agreement. We can waive any of our rights under this Agreement without losing our ability to enforce those rights on future occasions. We can also delay enforcing any of our rights under this Agreement without losing them. If you move, you agree to immediately notify us in writing of your new address.

AGREEMENT AND ACKNOWLEDGMENT: By signing the application for a card, or by using the card, each person agrees to all the terms and conditions and promises to perform all the obligations, requirements and duties set forth in this Agreement. The person applying for a card who signed the application acknowledges receipt of a copy of 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:

Chocolate Bayou Federal Credit Union
P.O. Box 1694

Alvin, TX 77512-1694

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 statement, 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 your statement 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 statement 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 statement. 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:

Chocolate Bayou Federal Credit Union
P.O. Box 1694
Alvin, TX 77512-1694

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.