

## **AMERICAN EAGLE FINANCIAL CREDIT UNION, INC. VISA® SECURED CREDIT CARD AGREEMENT, Effective April 1, 2024**

**1. Agreement.** These regulations govern the possession and use of credit cards ("card") issued by **American Eagle Financial Credit Union, Inc.** ("we" or "Issuer"). Each person who applies for a credit card and in whose name the card is issued ("you" or "Holder") consents and agrees to these regulations and to the terms contained on the credit cards, sales drafts, credit adjustment memos and cash advance drafts, signed by or given to Holder or any authorized user of Holder's cards. When credit cards are issued upon the application of two or more persons, all such persons shall be jointly and severally liable as Holders. The provisions of these regulations, as amended from time to time, govern Holder's obligations, not withstanding any additional or different terms contained in sales drafts, credit adjustment memos, cash advance drafts or other forms signed by or given to Holder or any user of Holder's cards to evidence a credit card transaction. Holder authorizes an investigation of Holder's credit standing prior to the issuance of a credit card to Holder and at any time thereafter and authorizes disclosure of information to third parties relating to Holder's credit standing. These regulations apply to all credit cards issued to Holder or to others on Holder's authorization and to any user of Holder's cards. You agree that the card will only be used for personal, family, or household purposes, and will not be used for business purposes. You may be liable for the unauthorized use of the card before you notify Issuer. You will not be liable for any unauthorized use that occurs after you notify Issuer. In any case, your liability will not exceed \$50. You agree to cooperate with the investigation of the loss, theft, or unauthorized use of the card, including providing whatever reasonable information Issuer requires.

**2. Membership Fees.** As a condition of participation in the issuer's credit plan and the issuance of a card, Holder agrees that there is no annual membership fee for VISA consumer and business accounts. The membership fee described above entitles the Holder to two VISA cards. Holder agrees to pay a fee for each additional card requested.

**3. Use of Card.** Credit for purchases from a merchant or a cash advance from a participating financial institution may be obtained by Holder or an authorized user of Holder's card presenting one of Holder's cards to the merchant or participating financial institution and, if requested, by providing the proper identifying information and signing the appropriate drafts. Failure to sign a draft does not relieve the Holder of liability for purchases made or cash received. The use of this card for illegal transactions is prohibited. The card may also be used to obtain cash advances from certain automated equipment provided it is used with Holder's correct Personal Identification Number ("PIN") issued to Holder. Holder may make only two cash advance withdrawals totaling not more than \$500 each day from compatible ATM terminals. Terminals or terminal operators may have other limits on the amounts or frequency of cash withdrawals. Holder will not be liable for the unauthorized use of the card or PIN issued to Holder which occurs before issuer receives notification orally or in writing of loss, theft or possible unauthorized use of a card or PIN. Lost or stolen cards or PINS should be reported immediately to Issuer by notifying CUSTOMER SERVICE, P.O. Box 31535, Tampa, FL 33631-3535, and Telephone (866) 839-3485.

**4. Use of AEFCU Card Checks.** Credit obtained by use of a Balance Transfer Check shall be treated as a cash advance. Credit obtained by use of Classic or Premier Check shall be treated as a cash advance.

**5. Credit Line.** Holder will from time to time be informed of the amount of the approved credit line established for Holder, and Holder covenants not to make credit purchases or borrowings in excess of that amount. Holder is liable for all purchases and borrowings made with Holder's cards by Holder or by anyone authorized to use Holder's cards.

**6. Payment.** Holder will be furnished a monthly statement for each billing period at the end of which there is an undisputed debit or credit balance of \$1.00 or more. Holder shall pay within 25 days after each statement Closing Date either (a) the full amount billed ("New Balance") or, at Holder's option, (b) a minimum Payment of **2.5%** of the New Balance, or \$25, whichever is greater. Payments may be mailed to **AEFCU**, P.O. Box 104, Brattleboro, VT 05302. Payments may be made, in person, at a **AEFCU** office. **Payments received after 5:00 p.m. on any processing day or at any time on any non-processing day will be considered as payments made on the following processing day.** The Minimum Payment Due by Holder will be applied in the order of Interest, Fees, Credit Insurance (if any), previous billed Purchases and Cash Advances and then current Purchases and Cash Advances. We may apply payments and credits at our discretion. Once outstanding interest and fees are satisfied, we will apply the remaining minimum payment amount to the balances with the lowest APR first, then to balances with higher APRs. We will apply any part of your payment exceeding your minimum payment first to balances with the highest APR first, and then to balances with lower APRs. If your credits and payments exceed what is owed to the Issuer, the Issuer will refund the credit balance upon request or automatically within 6 months.

**7. ANNUAL PERCENTAGE RATE (APR).** The ANNUAL PERCENTAGE RATE (APR) will be a VARIABLE rate. Variable rates are calculated by adding together a margin and an index. A margin is the percent added to the index to calculate APR. The index is the highest U.S. Prime Rate as published in the "Money Rates" section of The Wall Street Journal on the last publication day of each month. An increase or decrease in the index will cause a corresponding increase or decrease in your variable rates on the first day of your billing cycle that begins in the same month in which the index is published. An increase in the index means that you will pay higher interest charges and have a higher Total Minimum Payment Due. If The Wall Street Journal does not publish the U.S. Prime Rate, or if it changes the definition of the U.S. Prime Rate, we may, in our sole discretion, substitute another index. However, we may choose at our option and in our sole discretion to delay an APR increase resulting from an increase to the Prime Rate by one or more billing cycles. We do not have to give you advance notice of changes to the APR that are due to changes to the Prime Rate. Account statements will show the APRs that were in effect during the billing cycles covered by the statements.

We also reserve the right to re-determine the margin that applies to your Account more frequently than and/or on dates other than those described above when the Prime Rate itself is subject to change. We may review your credit worthiness several times a year. Based on changes to various risk factors, including but not limited to, credit scores and other information obtained from various outside agencies, your margin (and therefore your APR) may be increased or decreased from time to time. However, we will not increase your margin during the first year after your Account is opened. If your margin and APR are increased due to a change in any of these risk factors, your Account will be reviewed semi-annually in an effort to restore your previous margin and previous APR. We will give you advance written notice of the effective date for any increase to the margin and any corresponding increase to your APR, as required by applicable law.

An increase to your APR (whether due to an increase to your margin or an increase to the Prime Rate) will increase the Finance Charges payable on your Account until your APR decreases (whether due to a decrease to the Prime Rate or a decrease to your margin).

Regardless of the rate as determined by adding the Prime Rate and your margin, the Annual Percentage Rate will never exceed **18%** (a monthly periodic rate of 1.5%).

**8. Failure to Make Minimum Payment - Penalty APR.** We may increase the APR applicable to your outstanding balances to **18% APR** (a monthly periodic rate of 1.5%) if we have not received a required Minimum Payment within sixty (60) days after the payment is due. If we intend to increase your APR under these circumstances, we will give you written notice at least 45 days prior to the effective date of the change. This increased APR will remain in effect for no longer than six (6) months, provided that you make all required Minimum Payments on time during that period. If you fail to make all required Minimum Payments on time for six (6) consecutive billing cycles, the 18% APR will remain in effect until you do so.

**9. FINANCE CHARGES. The PERIODIC RATE (FINANCE CHARGE consisting of interest) will be one-twelfth of the APR.** You can avoid a FINANCE CHARGE on purchases by paying the Total New Balance (including all Purchases, Cash Advances, Balance Transfers, finance charges and other fees) each month within 25 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 FINANCE CHARGE. Cash Advances are always subject to FINANCE CHARGE from the date they are posted to your Account. If Balance Transfers or Convenience Checks are used, the amount of each we pay will be charged to your Account as a Cash Advance and subject to FINANCE CHARGES as Cash Advances.

We calculate the periodic FINANCE CHARGE (interest) on your Account by applying the periodic rate to the average daily principal balances of purchases and Cash Advances on your Account (including new transactions) each billing cycle. To get the average daily principal balance, we take the principal balances of purchases or Cash Advances each day during the billing cycle, beginning with the principal portion of your Previous Balances, reduced by payments you make and credits we apply, and increased by new purchases and Cash Advances you make and debit adjustments we make during the billing cycle. We add up all the daily principal balances and divide the total by the number of days in the billing cycle to produce separate average daily principal balances for purchases and Cash Advances to which the periodic rate is then applied. (We treat a credit balance as a zero balance when we figure the average daily principal balance.)

**10. Replacement Fee.** If a Card issued on your Account is lost or stolen, you may request that we replace it, but we have no obligation to do so. You will be charged a \$10 replacement fee for each replacement Card we issue.

**11. Rush Delivery Fee.** You agree to pay us \$25 for each rush delivery requested.

**12. Security Interest, Pledge, Collateral.** This is a secured credit card account. In consideration of the issuance of this secured credit card account, you have authorized us to open a secondary deposit account in your name ("Collateral Account"). To secure all of your obligations arising under this Agreement, you assign, transfer, pledge, grant a security interest in, and set over to us all rights, title and interest in the Collateral Account and in all renewals, additions and proceeds of the Collateral Account. You agree that this security interest, pledge, and assignment includes and gives us the right to redeem, collect and withdraw any part or the full amount of the Collateral Account upon any default under this Agreement or in the event your Account is terminated for any reason. You acknowledge and agree that this security interest, pledge, and assignment means that we have exclusive control over the Collateral Account. You may not make any withdrawals from the Collateral Account while it secures this Account. This security interest, pledge, and assignment is given as security for any and all amounts you may owe, including but not limited to interest, fees and charges which may accrue under your Account. You agree that if this Account is closed for any reason, we may apply funds in the Collateral Account to pay off any balance on the Account. If there are still funds remaining in the Collateral Account after doing so, these funds may remain on deposit for up to 60 days before being remitted to you.

**13. Foreign Transactions.** Purchases and Cash Advances made in foreign currencies will be billed to you in U.S. dollars. The U.S. dollar exchange rate for the foreign currency used for a Purchase or Cash Advance is 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 the government-mandated rate in effect for the applicable central processing date.

**14. Disputes.** Issuer is not responsible for refusal by any merchant, financial institution or automated equipment to honor or accept a card. Except as provided in the federal Truth-in-Lending laws (as indicated in the Summary of Billing Rights below), Issuer has no responsibility for merchandise or services obtained by Holder with a card and any dispute concerning merchandise or services will be settled between Holder and the merchant concerned.

**15. Default.** Holder covenants to observe and comply with these regulations and covenants not to permit an event of default to occur. Upon the occurrence of any one or more of the following events of default: (a) Holder fails to pay at least the Minimum Payment when due on two occasions within any 12-month period; or (b) Holder dies, ceases to exist, changes residency to another state, becomes insolvent or the subject of bankruptcy or insolvency proceedings or fails to observe any covenant or duty contained in these regulations, if such event or breach materially impairs Holder's ability to pay amounts due; the full amount of Holder's account for which the default occurred (including unpaid Interest Charges) shall, at Issuer's option become immediately due and payable if Holder does not cure the default within 15 calendar days after notice is mailed to the address of Holder, or given as otherwise provided by law. Issuer has this right, without notice and opportunity to cure. If the default is the Holder's third default within 12 months and the Holder is notified of the prior two defaults and the Holder incurred those defaults. Issuer may delay enforcing any of its rights under these regulations or under applicable law without losing those rights or any of its other rights.

**16. Termination.** Holder's consent to these regulations may be terminated at any time by surrendering the cards issued to Holder or at Holder's written request, but such termination shall not affect Holder's obligations as to any balances or charges outstanding at the time of termination. Termination by any Holder shall be binding on each person in whose name the card is issued. If Holder's spouse terminates this credit plan, the full amount of Holder's account (including unpaid Interest Charges) may be declared immediately due and payable. Issuer may terminate Holder's privilege to use the cards if Holder moves out of the service area of Issuer, as defined by Issuer from time to time. Unless sooner terminated, the privilege to use the cards shall expire on the date shown on the cards. At any time, without liability to Holder and without affecting Holder's liability for credit previously extended, Holder's privilege to use the cards may be revoked or limited to the extent not prohibited by law. The cards are and shall remain the property of Issuer and Holder agrees to surrender them to Issuer upon demand.

**17. Amendments.** Issuer may amend these regulations from time to time by sending Holder advance written notice not less than 45 days prior to the effective date for any change that is either adverse to Holder's outstanding balance or increases certain fees, as required by applicable law, from time to time, or not less than 15 days prior to the effective date for other changes, or as may otherwise be required or permitted by law. To the extent that Issuer indicates in the notice and that the law permits, amendments will apply to Holder's existing account balance as well as to future transactions. Notices are deemed given when mailed by Issuer to any Holder to the current address for mailing monthly statements. Invalidity of any provision of these regulations shall not affect the validity of any other provisions.

**18. Statement of Military Annual Percentage Rate.** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit

insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account).

**19. Governing Law.** Holder agrees these regulations are governed by the law of Connecticut to the extent not preempted by federal law.