

Business Credit Card Agreement and Disclosure

As used in this Agreement, the words “you” and “your” mean each and every person signing, using, or having a Business Credit Card Account with NFCU, referred to as “we,” “our,” “us,” or “NFCU.” The words “card” and “cards” mean any method used to access the credit extended under this Agreement.

1. This Is Your Agreement With NFCU

Please read the Agreement carefully and keep a copy for your records. It is a summary of terms that control the use of your Business Credit Card Account. By accessing your Business Credit Card Account, you agree to all the terms of this Agreement.

2. Change of Address

You agree to promptly notify NFCU of any change to your personal or business address either by calling the telephone number or writing to the address in paragraph 27 of this Agreement.

3. Maximum Amount You May Owe NFCU

Credit Limit: The maximum amount of purchases and cash you may owe us at any time is the amount of your assigned credit limit. You may not use your card if you owe us more than your credit limit. If you exceed the credit limit, you must pay this amount immediately. You may initiate a request to change your credit limit by calling the telephone number or writing to the address shown in paragraph 27 of this Agreement. We reserve the right to determine your credit and/or cash line and may increase, decrease, or restrict it at any time without notice.

Cash: You have a cash credit line that is the maximum balance in cash that may be outstanding at any time. You may use your card to obtain cash at participating financial institutions and at participating ATMs, or access this line through the use of a convenience check. Your cash credit line is equal to 50% of your credit limit.

4. Personal Guarantee to Pay for All Debt Incurred Using This Account

For the purposes of this section only, the words “I” and “we” mean each and every person signing, using, or having a credit card with NFCU. I agree to pay NFCU the amount of all debt, fees, finance charges, charges, purchases, or cash advances incurred or owed by, for, or assessed to the Business (“Business Debt”) now or in the future that I or anyone authorized to use this account make(s) using the Business credit card or any other access device provided. Each owner, member, or all partners, as applicable, is/are required to guarantee payment of all obligations under the Business Credit Card Agreement. Granting use of the Business Credit Card Account or PIN to a non-signer will make me liable for any loss or misuse of the card until reported to NFCU. Under the terms of the guarantee, each individual is jointly and severally liable, and unconditionally guarantees payment of and agrees to pay to NFCU all Business Debt and obligations at any time outstanding under the Business Credit Card Agreement, or any extension, renewal, or modification thereof.

Statutory Lien: I/We acknowledge and pledge to NFCU a statutory lien in my/our shares and dividends on deposit in all joint and individual accounts and any monies held by NFCU now and in the future, to the extent of any loan made and any charges payable. The statutory lien does not apply to shares in any Individual Retirement Account (IRA).

Security Interest Specific for Credit Cards: I/We acknowledge and pledge, specifically as a condition of my/our use of a credit card issued to the Business, that I/we have voluntarily granted NFCU a security interest in all of my/our individual and joint share accounts at NFCU. If the business credit card loan becomes delinquent, this security interest may be used without further notice to pay all or part of such delinquency. This security interest does not apply to shares in an Individual Retirement Account (IRA).

Additional Security Interest: I/We acknowledge and pledge to NFCU a security interest in the collateral securing loan(s) that I/we have with NFCU now and in the future, including any type of change or increase, and any proceeds from the sale of such collateral and of insurance thereon, not to exceed the unpaid balance of any loan made to and any charges payable by the Business. This security interest in collateral securing other loans does not apply to any loan(s) on my/our primary residence.

I/We agree that: (a) each guarantor is personally and individually liable for the Business Debt; (b) NFCU may proceed against one or more of the guarantors without proceeding against the other guarantors; (c) NFCU may obtain personal credit reports and provide credit information to others regarding each guarantor; (d) I/we shall pay all expenses, charges, fees, and costs, including attorney's fees and the allocated costs of in-house counsel, including those at trial or on appeal, that NFCU incurs to enforce the guarantee; (e) as this Agreement is provided with each card, it is the responsibility of each guarantor to obtain a copy of this Agreement; and (f) this guarantee and the rights and duties of all parties under this guarantee shall be governed by and interpreted in accordance with federal law and the laws of Virginia, regardless of where the Business, cardholder, or authorized user is located or uses or accesses the account or credit card.

5. Monthly Statements

We will deliver statements monthly to the last address on record as long as there is activity on your account. We will send one statement for all cards issued with your account number to the first person listed on the account. You may choose not to receive mailed statements, and instead have your statements available online.

6. Payments

All payments made to us must be in U.S. dollars. Checks must be payable with funds on deposit in the United States. Payments may be mailed to the address indicated on your statement, made at a NFCU office that accepts payments or at a NFCU automatic teller machine (ATM), or made through Online Banking via Navy Federal Online[®]. Payments received anywhere other than the address shown on the monthly statement may be subject to a delay in crediting. Mailed payments to your Business Credit Card Account may not be commingled with funds designated for credit to other NFCU accounts. We will accept late or partial payments without forfeiting any of NFCU's rights under this Agreement. Payments in the amount of \$10,000.00 or more will be credited to the account upon receipt; however, in such cases, adjustments to the account balance and credit line may be delayed until the payment clears. Payments that are marked "paid in full" and are of an amount less than the balance on the Business Credit Card Account, or that are marked with any other restrictive endorsements, should be sent to P.O. Box 2464, Merrifield, VA 22116, Attention: Business Credit Cards.

7. Foreign Transactions

Visa®. All Visa purchases and cash advances will be billed to you in U.S. dollars. The rate of exchange used for processing international transactions is a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date.

Mastercard®. All Mastercard purchases and cash advances will be billed to you in U.S. dollars. Currently, the rate of exchange used is either a government-mandated rate or a wholesale rate determined by Mastercard International for the processing cycle in which the transaction is processed. This rate of exchange may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

8. How Much You Must Pay Us

Your monthly statement will tell you the total amount that you owe us, the minimum payment that you must make, and your payment due date. **The minimum payment for Business Credit Card Accounts will be the greater of (1) 2% of the new balance or (2) \$20.** If the new balance of your account is less than \$20, the minimum payment will be the new balance.

To calculate the new balance of your account:

Start with the previous balance shown on your statement. Subtract any payments or credits and add any new purchases, cash advances, fees, or finance charges.

You may pay the new balance in whole or in part at any time. We will not charge you a penalty for paying more than the minimum payment. If your account has balances with different APRs, the minimum payment will be allocated to the balance with the lowest APR before any payments are allocated to balances with a higher APR. Any payment amount received in excess of the minimum payment will be allocated to the balance with the highest APR and any remaining portion to the other balances in descending order based on the APR.

9. When We Will Add Finance Charges to Your Account Balance

A. Purchases. If you pay the new balance in full by the payment due date shown on your monthly statement, no finance charge for purchases will be imposed. If your payment is received after the payment due date or if you pay less than the entire new balance, you will pay a finance charge.

B. Balance Transfers and Convenience Checks. Your balance transfer and convenience check APR is the same as your Purchase APR. We will add a finance charge to your account for each balance transfer and convenience check from the date we post the balance transfer or convenience check to your account through the date it is paid in full.

C. Cash Advances. Your cash advance APR is 2.00% higher than your Purchase APR, not to exceed the maximum permitted by law. We will add a finance charge to your account for each cash advance from the date we post the cash advance to your account through the date it is paid in full. In addition, if the cash advance is issued from an ATM, a fee for ATM cash advances will apply if applicable. Refer to paragraph 25 of this Agreement for current fees. The fee for ATM cash advances will appear on your next statement. If you use your card at an ATM not operated by NFCU, the owner of the ATM may charge you a surcharge or an ATM fee. This charge will appear on your NFCU statement. There is no ATM fee if you obtain a Business Credit Card cash advance from a NFCU ATM.

10. How We Determine the Amount of Finance Charges

NFCU calculates finance charges on your account by applying the periodic rate to the "average daily balance" of your account,

including current transactions. To get the “average daily balance,” we take the beginning balance of your account each day, add any new purchases and cash advances, then subtract any payments, credits, and unpaid finance charges to give us the daily balance. Then we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the “average daily balance.” Refer to paragraph 25 of this Agreement for current periodic rates.

11. Ownership of Business Credit Card

Every card remains the property of NFCU. We have the right to cancel your account at any time with or without written notice to you. You must return the card if we ask you to do so. You cannot use the card after it has been canceled. If a bankruptcy proceeding is commenced by or against you, your credit card(s) shall be canceled.

12. You May Cancel Your Account

You may cancel your Business Credit Card Account with NFCU whenever you choose by cutting your card(s) in half and mailing them to the address in paragraph 27 of this Agreement. You will remain responsible for any use of your card until it is returned, as well as the remaining balance on the account.

13. Cardholder Signature

Your card is not valid unless it is signed. Sign the back of your card immediately upon its receipt.

14. Liability for Cardholder Negligence or Unauthorized Use

REPORT A LOST OR STOLEN CARD IMMEDIATELY. You agree to accept responsibility for safeguarding all Business Credit Cards and Business Credit Card PINs issued to you and any other users of this account. You also agree that NFCU may cancel your Business Credit Card Account and PIN if unauthorized transactions occur.

You will not be liable for unauthorized transactions after you notify us by calling the telephone number in paragraph 27 of this Agreement. You agree to assist us in the prosecution of persons for unauthorized use of your card.

15. Assistance in Investigation

We will request your assistance and cooperation in our investigation of your claim(s) for unauthorized use. We may request necessary information and/or documentation regarding your claim(s), a signed statement from you or an authorized user, as well as a police report, if filed. Your assistance may enable us to establish whether unauthorized use occurred. Without your assistance, we may be unable to validate your claim, which could lead us to terminate the investigation or reasonably conclude that the transaction(s) in question was/were authorized.

16. Business and Consumer Reporting Agencies

NFCU may give information about your Business Credit Card Account to business and consumer reporting agencies. You authorize us to obtain credit bureau reports in connection with extensions of credit or the review or collection of your account. If you ask, we will tell you the name and address of each credit bureau from which we obtained a report about you. You will provide us with any other names or business names under which you have been granted credit or that we should use to check your credit.

17. Default

If you violate any terms of this Agreement or fail to pay the amount due as listed on your monthly statement, or commence in bankruptcy proceedings, or if we determine that there has been a substantial adverse effect on your ability to repay the debt incurred on this account, NFCU may, without notice or demand, deny use of your credit line, or cancel your credit card account and/or declare due and payable the unpaid portion of your balance, together with all costs relating to the collection of this account, including, but not limited to, the outstanding balance, unassessed finance charges, court costs, expenses,

and attorney's fees. If the Applicant is in default, Navy Federal may obtain any information it deems necessary to cure or collect said default, including the Applicant's current contact information, as permitted by law. Contact to an Applicant's employer will be limited to obtaining current contact information.

18. How We May Contact You

You expressly agree that to service your account or to collect any amounts you may owe NFCU, we or authorized parties may call you and send text messages to you. We may use prerecorded/artificial voice messages or an automatic dialing device to contact you at any telephone number associated with your account, including mobile telephone numbers, all of which could result in charges to you. You also expressly consent that we may send email messages regarding your account to your email address.

19. Use of Card for Illegal or Risky Transactions

It is your responsibility to comply with all laws when using your NFCU Business Credit Card. You agree to hold NFCU harmless for any damages or other liability arising from a transaction initiated by you or your authorized user for the purpose of conducting an illegal activity. We reserve the right to decline authorization of transactions for activities we believe may violate law or pose significant risk to NFCU or its members (for example, internet gambling or known locations with high incidences of fraud).

20. Virginia Law Governs This Agreement

Virginia law will be used to interpret this Agreement unless federal law applies.

21. The Provisions of This Agreement Are Severable

If any provision of this Agreement is held to be invalid or unenforceable, the rest of this Agreement will not be affected.

22. Amendment of This Agreement

NFCU may amend and change this Agreement by providing an advance written notice of the changes to you. However, we may reduce charges and fees without sending you an advance notice.

23. Your Billing Rights

This notice tells you about your rights and our responsibilities.

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 the address provided in paragraph 27, or contact us via the web at navyfederal.org.

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 three 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* or electronically. 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 will do two things:

1. Within 30 days of receiving your letter, we will 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 will 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 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 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 the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at the address provided in paragraph 27 or electronically via the web at navyfederal.org.

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.

24. Notice Concerning Use of an ATM

Be alert. Do not use the ATM if the lights are not in operation or you see suspicious activity. At drive-up ATMs, keep car doors locked, other windows closed, and the engine running. If you sense something is wrong, leave the area immediately. Take someone with you if you must make a transaction at night. Use your body to block the keyboard and prevent others from learning your PIN. If you sense someone

attempting to view your transaction, cancel the transaction and leave. Keep a low profile. Have your Business Credit Card ready when you approach the ATM. Remember to take your card, cash, and receipt, and put them away. Count your money only when you are safely away from the ATM area. Immediately report all crimes to the operator of the ATM and to local law enforcement officials.

25. Annual Percentage Rate (APR) and Other Disclosures

APR for Purchases, Balance Transfers, and Convenience Checks	Variable APR, currently between U.S. Prime Rate plus 5.9% and U.S. Prime Rate plus 13.9% not to exceed 18.0% ^{1,2}
APR for Cash Advances	2.0% above your variable APR, not to exceed 18.0%. This APR will vary with the market based on the U.S. Prime Rate.
Penalty APR	Variable APR, currently U.S. Prime Rate plus 11.0% not to exceed 18.0%
Balance Calculation Method for Purchases	Average Daily Balance (including new purchases)
Grace Period on Purchases	25 Days
Late Payment Fee	\$20

¹ If you miss two consecutive minimum payments, your Purchase and Cash Advance APR will be the U.S. Prime Rate plus 11.0% (not to exceed 18.0%).

² The variable rate is adjusted quarterly using the highest U.S. Prime Rate published in *The Wall Street Journal* on the first day of the quarter (January 1, April 1, July 1, October 1). Adjustments to the variable rate will be made on the first business day of the following month. Your initial APR will be determined at the time your NFCU Business Credit Card Account is established and will use the U.S. Prime Rate in effect as of the first business day of the month following the last quarterly adjustment.

Special Promotional APR

A special temporary monthly periodic rate and corresponding APR may apply to certain transactions during future promotions. We will advise you how to obtain this APR before those promotions begin.

26. Other Fees:

Returned payment fee: \$20.00.

Convenience check stop range fee: \$10.00.

Convenience check stop payment fee: \$6.50.

Returned convenience check fee: \$20.00.

Fee for ATM cash advances: none if performed at a NFCU branch or a NFCU ATM. If performed at an ATM other than one owned by NFCU, \$0.50 per domestic transaction or \$1.00 per foreign transaction.

Foreign Transaction Fee: None.

27. Contact Information

All correspondence to NFCU relating to this Agreement should be addressed to NFCU, P.O. Box 3501, Merrifield, VA 22119-3501. You may also call us concerning the Agreement toll-free in the U.S. at 1-888-842-6328. For toll-free numbers when overseas, visit **navyfederal.org**. Use 1-703-255-8837 for collect international calls. Information concerning NFCU Business Credit Cards may also be obtained at **navyfederal.org**.

