

February 22, 2010

IMPORTANT INFORMATION REGARDING CHANGES TO YOUR ACCOUNT

This is to notify you of changes to the Truth and Lending and Cardholder Agreement for your Credit Union Unsecured Visa credit card effective February 22, 2010. These changes are in response to new federal regulations arising from the 2009 Credit Card Act. Our commitment to make the best decisions for our member-owners has been at the forefront of our thinking throughout all of the revisions and changes necessary to comply with the new Credit Card Act.

The following is a summary of important changes to your account:

- **Language:** Your Agreement has been simplified in order to be more readable and understandable, using common language and larger font size with the most important terms highlighted in tables for quick reference.
- **Notifications and Changes:** New regulations require 45 days advance notice of certain changes to your account deemed “significant changes” by the Credit Card Act of 2009.
- **Authorized Users:** A new section was added to include information about authorized users and your responsibilities.
- **APR:** As of April 21, 2010 the margin used to calculate your interest rate will be 12.5% on all **new** purchases and cash advances, with no **minimum** interest rate. The new rate based on the current index will be 12.75%.
- **Paying Interest:** Your due date must be at least 21 days after the close of the billing cycle. To avoid paying interest on purchases, you must pay the entire statement balance by the due date. There is no grace period on cash advances and interest on cash advances begins to accrue on the transaction posting date. If the entire balance is not paid by the due date, no grace period applies and interest will be charged based on the average daily balance.
- **Credit Tips from the Federal Reserve:** This new section gives information to compare credit card plans.
- **Fees:** All fees have been grouped into a table for quick reference. ATM fees and International Transaction fees will appear in the Finance Charge section of your monthly statement.
- **Overlimit Fee:** You will not be charged a fee for spending over your credit limit.
- **How We Will Calculate Your Balance:** We will figure the interest charge on your account by applying the periodic rate to the average daily balance of your account (including current transactions).
- **Rates and Changes:** The margin used to calculate your interest rate will be 12.5% and there is no longer a minimum interest rate. This new rate will apply to any **new** transactions beginning on April 21, 2010.
- **Foreign Currency Transactions:** The International Service Assessment fee has been renamed the International Transaction fee for clarity and consistency and will be reflected in the Finance Charge section of your statement.

- **Refusal to Honor Card:** A new section was added to existing terms for emphasis.
- **Periodic Statements:** Statements will be mailed after the 20th of each month.
- **Payment Crediting:** Your payment will be due the 15th day of each month. Payments received at a branch office during business days by 5:00 pm Monday through Thursday or 6:00 pm on Friday will be credited the same business day. Payment amounts above the Minimum Payment due will generally be credited to higher interest rate balances and then to lower interest rate balances. This may help you pay off your highest interest rate balances more quickly and reduce your interest charges.
- **Late Charges:** A late fee will be assessed after close of business on the 5th day after the payment due date.
- **What to do if You Think You Find a Mistake on Your Statement:** This section replaces the section previously titled "In Case of Errors or Inquiries About Your Bill."
- **Your Rights if You Are Dissatisfied with Your Credit Card Purchases:** This section replaces the section previously titled "Special Rule for Credit Card Purchases."

This notice does not change the interest rates and fees for the balances on your account through April 20, 2010. The current minimum rate of 13.00% will be applied to outstanding account balances as of April 20, 2010 until they are paid in full.

We have sent you by mail a revised Cardholder Agreement. The rates and fees contained in the revised Agreement become effective April 21, 2010.

We continue to strive for ways to improve the economic well being for all of our members. If you have any questions or concerns regarding this new Agreement, please contact us at 1-919-530-8800.

Thank you,
Latino Community Credit Union