

# Finance Charge Calculation Methods

*The Finance Charge Calculation Method applicable to your account for Cash Advances and Credit Purchases of goods and services that you obtain through the use of your Gates Chili Federal Credit Union VISA credit card is explained below:*

## **Method A - Average Daily Balance (including new purchases)**

The Finance Charge on Credit Purchases begins to accrue on the date each is posted to your account (i.e., no grace period is provided). The Finance Charge on Cash Advances begins to accrue on the date you obtain the Cash Advance of the first day of the billing cycle in which it is posted to your account, whichever is later. The Finance Charges for a billing cycle are computed by applying the monthly Periodic Rate to the average daily balance during the billing cycle, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance is determined by adding to the Previous Balance (the outstanding balance of your account at the beginning of the billing cycle) any new Credit Purchases posted to your account and any new Cash Advances received and subtracting any payments as received or credits as posted to your account, but excluding any unpaid Finance Charges.

## **Method E - Average Daily Balance (excluding new purchases)**

To avoid incurring an additional Finance Charge on the balance of Credit Purchases (and Cash Advances, if this Method E is specified as applicable to Cash Advances) reflected on this statement, you must pay the New Balance shown on the reverse side on or before the Payment Due Date.

The Finance Charges for a billing cycle are computed by applying the monthly Periodic Rate to the average daily balance of Credit Purchases (and, if applicable, Cash Advances), which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Credit Purchases (and, if applicable, Cash Advances) is determined by subtracting from the Previous Balance of Credit Purchases (and, if applicable, Cash Advances) any payments received and credits as posted to your account, but excluding any unpaid Finance Charges. Subject to the above, the grace period for the New Balance of Credit Purchases extends to the Payment Due Date.

## **Method F - Average Daily Balance (including new purchases)**

To avoid incurring an additional Finance Charge on the balance of Cash Advances (and Credit Purchases, if this Method F is specified as applicable to Credit Purchases) reflected on this statement, you must pay the New Balance shown on the reverse side on or before the Payment Due Date. The Finance Charges for a billing cycle are computed by applying the monthly Periodic Rate to the average daily balance of Cash Advances (and, if applicable, Credit Purchases), which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Cash Advances (and, if

applicable, Credit Purchases) is determined by adding to the Previous Balance of Cash Advances (and, if applicable, Credit Purchases), any new Cash advances as of the transaction date or the first day of the billing cycle in which posted, whichever is later (and, if applicable, any new Credit Purchases as posted), and subtracting any payments as received and credits as posted to your account, but excluding any unpaid Finance Charges, Subject to the above, no grace period is provided on new Credit Purchases.

### **Method G - Average Daily Balance (including new purchases)**

To avoid incurring an additional Finance Charge on the balance of Credit Purchases (and Cash Advances, if this Method G is specified as applicable to Cash Advances) reflected on this statement and on any new Credit Purchases (and, if applicable, Cash Advances) appearing on your next statement, you must pay the New Balance shown on the reverse side on or before the Payment Due Date. The Finance Charges for a billing cycle are computed by applying the monthly Periodic Rate to the average daily balance of Credit Purchases ( and, if applicable, Cash Advances), which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance is determined by adding to the Previous Balance of Credit Purchases (and, if applicable, Cash Advances) any new Credit Purchases posted to your account (and, if applicable, any new Cash Advances as of the transaction date or the first day of the billing cycle in which posted, whichever is later) and subtracting an payments as received and credits posted to your account, but excluding any unpaid Finance Charges. Subject to the above, the grace period for the New Balance of Credit Purchases extends to the Payment Due Date.

### **Method M - Ending Balance Method**

We figure the Finance Charge on your account only if you do not pay the full amount of the new cash advance and purchase activity that appears on each of your monthly statements before the end of the third billing cycle following the statement closing date of the statement that those transactions first appeared. The end of each billing cycle is identified on each monthly statement as the "Closing Date." The Finance Charge for a billing cycle is computed by applying the monthly periodic rate only to that portion of the balance(s) of cash advances and purchases that remain unpaid through the end of the third billing cycle following the statement closing date of the monthly statement that those transactions first appeared and shall be assessed retroactively for each billing cycle (and portion of a billing cycle) beginning from the 26th day following the Closing Date of the monthly statement that the transactions first appeared after deducting payments and corresponding credits. Thereafter, Finance Charges on that balance will continue to accrue unless that entire delinquent balance due is paid prior to the Closing Date of the then current billing cycle. A Grace period always applies to the first 25 days following the Closing Date of the monthly statement that cash advance and purchase transactions first appear.

### **Payment Crediting and Credit Balance**

Payments received at the location specified on the front of the statement after the phrase "MAKE CHECK PAYABLE TO" will be credited as of the date of receipt to the account specified on the payment coupon. Payments received at locations other than the address specified or payments that do not conform to the requirements set forth on or with the periodic statement (e.g., missing payment stub, payment envelope other than as provided with your statement, multiple checks or multiple coupons in the same envelope) may be subject to delay in crediting, but shall be credited within five days of receipt. If there is a credit balance due on your account, you may request, in writing, a full refund. Submit your request to the address indicated on the front of this statement after the phrase "SEND INQUIRY TO."

### **Closing Date**

The closing date is the last day of the billing cycle; all transactions received after the closing date will appear on your next statement.

### **Annual Fee**

If your account has been assessed an annual fee, you may avoid paying this annual fee by sending written notification of termination within 30 days following the mailing date of this bill, to the address found at the top of the first page of this bill under your financial institution's name. You may use your card(s) during this 30 day period but immediately thereafter must send your card(s), which you have cut in half, to this same address.

### **Negative Credit Reports**

You are hereby notified that a negative credit report reflecting on your credit record may be submitted to a credit reporting agency if you fail to fulfill the terms of your credit obligations.

### **Visa Card Disclosures**

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet of paper at the address indicated on the front of this statement after the phrase "Send Inquiries To" as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

1. Your name and account number.
2. The dollar amount of the suspected error.
3. Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are unsure about.

You do not have to pay any amount in question while we are investigating, but you are still obligated to pay the parts of your bill that are not in question. While we investigate your question, we cannot report you are delinquent or take any action to collect the amount you question.

### **Special Rule For Credit Card Purchases**

If you do not have a problem with the quality of goods or services that you purchased with a credit card, and you have tried in good faith to correct the problem with the merchant, you may not have to pay the remaining amount due on the goods or services. You have this protection only when the purchase price was more than \$50.00 and the purchase was made in your home state or within 100 miles of your mailing address. (If we own or operate the merchant, or if we mailed you the advertisement for the property or services, all purchases are covered regardless of amount or location of purchase.)