

AVERAGE DAILY BALANCE METHOD FOR CALCULATION OF FINANCE CHARGES

Separate FINANCE CHARGES for purchases and cash advances are determined by multiplying the periodic rate by the separate average daily balances for purchases and cash advances. Each average daily balance is determined by taking the beginning balance (of cash advances or purchases) in your account each day, adding any new purchases or cash advances (whichever is applicable) and subtracting any payments or credits. The results are the daily balances. All the daily balances for the statement cycle are added and the total is divided by the number of days in the statement cycle to arrive at the average daily balance cycle.

LATE PAYMENT FEE: We reserve the right to charge a late fee of \$7.00 to your account each billing period that the minimum monthly payment is not received by the 5th day after the scheduled payment date.

YOUR BILLING RIGHTS SUMMARY

This notice contains important information about your rights and our responsibilities under the Fair Credit Billing Act.

Notify Us in Case of Errors or Questions About Your Bill

If you think your account statement is wrong or if you need more information about a transaction that is shown, write us as soon as possible at:

STAR Community Credit Union
550 Salem Street
Chico, CA 95928

We must hear from you no later than 60 days after we sent you the first statement 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 the questioned amount while we are investigating, but you are still obligated to pay all the parts of your account that are not in question. While we investigate your question, we cannot report you as delinquent or take any action to collect the amount your question, provided that you pay the undisputed amounts. If you have authorized us to pay your credit card bill automatically from our share account or share draft account, you can stop the payment on any amount you think is wrong. To stop the payment your letter must reach us three business days before the automatic payment is scheduled to occur.

Your Rights and Our Responsibilities After We Receive your Written Notice

We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question or report you as delinquent. We can continue to bill you for the amount you question, including finance charges and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating but you are still obligated to pay the parts of your bill that not in question.

If we find that we made a mistake on your bill you will not have to pay any **FINANCE CHARGES** related to any questioned amount. If we didn't make a mistake you may have to pay **FINANCE CHARGES** and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date that it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within then days telling us that you still refuse to pay, we must tell anyone we reported you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the \$50 of the questioned amount even if your bill was correct.

Special Rules for Credit Card Purchases

If you have a problem with the quality of property 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 have the right not to pay the remaining amount due on the property or services. There are two limitations on this right:

1. The purchase was made in your home state or within 100 miles of your current mailing address;
2. The purchase price was more than \$50.00

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

If your card is Lost or Stolen, or if you suspect it is being used or may be used by an unauthorized person, you should immediately call 530-895-1947 Monday thru Friday, 9am to 5pm Pacific Standard Time.

AFTER HOURS CALL: 1-800-682-6075