

**This Agreement will become effective when: (1) you sign the MasterCard or VISA credit card issued in connection with your Account (the “Card”); (2) you use (or someone you authorize uses) the Card; (3) 30 days pass after the Card is issued to you; or (4) you call and activate the Card, whichever occurs first. HOWEVER, YOU MAY STILL REJECT THIS AGREEMENT, PROVIDED THAT YOU HAVE NOT YET USED THE ACCOUNT OR PAID A FEE AFTER RECEIVING A BILLING STATEMENT. IF YOU DO REJECT THE AGREEMENT, YOU ARE NOT RESPONSIBLE FOR ANY FEES OR CHARGES. TO REJECT, SEE SECTION A.**

**BERKSHIRE BANK, KINGSTON, NEW JERSEY**

**CREDIT CARD AGREEMENT  
FOR SECURED CARDS**

**THIS AGREEMENT INCLUDES A BINDING ARBITRATION PROVISION (SECTION HH) WHICH, IF NOT REJECTED TIMELY AND PROPERLY BY YOU (SEE SECTION HH(13)), MAY REPLACE YOUR RIGHT TO GO TO COURT AS WELL AS OTHER RIGHTS YOU MAY HAVE, INCLUDING THE RIGHT TO A JURY AND THE RIGHT TO PARTICIPATE IN A CLASS ACTION OR SIMILAR PROCEEDING IN COURT OR ARBITRATION. YOUR REJECTION OF ARBITRATION WILL NOT HAVE ANY IMPACT ON YOUR RIGHT TO CREDIT OR THE TERMS OF THIS AGREEMENT.**

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## Terms and Conditions

**A. Definitions and General Terms.** In this Secured Credit Card Agreement (“Agreement”), “we,” “us,” “our” and “Bank” refers to Berkshire Bank and its assignees. You are the person or persons who applied to us for a secured VISA or MasterCard credit card account (“Account”). We have approved your Application and received your initial deposit (the “Initial Deposit”) for your savings account (the “Savings Account”). We have opened an Account for you with an initial Credit Limit equal to the amount of the Initial Deposit. The Initial Deposit plus any amounts you may later add to the Savings Account secures payment of your Account obligations. You must maintain the Savings Account with us at all times in connection with your Account and you may not allow the amount of the Savings Account to decline below the greater of \$200 or the full amount of principal, Interest Charges and Fees outstanding under the Account. The Account will be considered to be separate from any other credit card account you may have with us. This Agreement will become effective when: (1) you sign the MasterCard or VISA credit card issued in connection with your Account (the “Card”); (2) you use (or someone you authorize uses) the Card; (3) 30 days pass after the Card is issued to you; or (4) you call and activate the Card, whichever occurs first. **You agree to sign your Card as soon as you receive it. HOWEVER, YOU MAY STILL REJECT THIS AGREEMENT, PROVIDED THAT YOU HAVE NOT YET USED THE ACCOUNT OR PAID A FEE AFTER RECEIVING A BILLING STATEMENT. IF YOU DO REJECT THIS AGREEMENT, YOU ARE NOT RESPONSIBLE FOR ANY FEES OR CHARGES. TO REJECT THIS AGREEMENT CALL US AT 800-768-9897 OR WRITE TO US AT BERKSHIRE BANK, CREDIT CARD DEPARTMENT, P.O. BOX 9201, OLD BETHPAGE, NY 11804.**

**B. Other Defined Terms.** In addition to the terms defined above, the following terms have the following meanings:

1. **“Applicant”** means anyone applying for credit as the Applicant.
2. **“Available Credit”** is the amount of credit you may use without exceeding your Credit Limit. As provided in this Agreement, this amount will change from time to time as you use your Card for Purchases and Cash Advances and as you make payments on your Account or additions to the Savings Account. Subject to Section E, captioned “Credit Availability, your Available Credit generally equals your Credit Limit minus the outstanding balance under your Account.
3. **“Billing Cycle”** means a monthly billing period which begins on or about the same day of each month.
4. **“Cash Advances”** means credit you obtain on your Account in any of the following ways:
  - a. by presenting the Card (or any credit device we supply to you) to us or to any other participating MasterCard or VISA financial institution, to obtain cash or to make a transfer from your Account to any deposit or loan account or to make any other transactions that involve the purchase of items that are readily convertible to cash or similar transactions including, but not limited, to money orders, stamps, travelers checks, bail bonds, tax payments and lawful gaming transactions (you agree that you will only engage in gaming transactions where lawful),

- b. by using the Card at an Automated Teller Machine ("ATM") or other device available for this purpose, to obtain cash or to make a transfer from your Account to any deposit or other loan account you have with us,
  - c. by drawing a Cash Advance Check on your Account.
5. **"Cash Advance Check"** means a Visa Check, MasterCard Check or any other checks, drafts or written instruments we supply to you to obtain a Cash Advance on your Account.
6. **"Credit Limit"** means the amount of credit we have approved for you on your Account. Your Credit Limit cannot exceed \$5,000.00 and cannot be less than \$200.00. Your initial Credit Limit is equal to the amount of your Initial Deposit but not less than \$200.00 or more than \$5,000.00. As provided in Section M, captioned "Savings Account," you can increase your Credit Limit at any time by adding to the Savings Account, in \$50 increments, so long as the amount you add does not cause the balance in the Savings Account to exceed \$5,000.00 and so long as we reasonably determine that you should be able to make the minimum payments that may be required at your new higher Credit Limit. As provided in Section M, captioned "Savings Account," so long as you do not cause your balance to exceed your Credit Limit, with our consent you can decrease your Credit Limit at any time to an amount not less than \$200.00 by withdrawing sums from your Savings Account. Your Credit Limit for Cash Advances is limited to a portion of your total Credit Limit.
7. **"New Balance"** means the outstanding balance in your Account at the end of any Billing Cycle, as shown on your Statement. The New Balance is the sum of the Previous Balance shown on your Statement, less payments and credits, plus new Cash Advances, Purchases, Interest Charges and Fees posted during the Billing Cycle.
8. **"PIN"** means the personal identification number assigned to your Account.
9. **"Purchase"** means credit obtained on your Account when you present the Card or Card number to a merchant honoring the Card to purchase goods and/or services.
10. **"Statement"** means a statement of your Account which we send at the end of any Billing Cycle in which we owe you or you owe us more than \$1.00, or we impose any charge, or any payment, credit, Cash Advance or Purchase is posted to your Account.
11. **"Statement Closing Date"** means the last day of any Billing Cycle.

**C. Using Your Account to Obtain Credit.** Subject to Section D, captioned "Credit Limit," and Section E, captioned "Credit Availability," you can use the Card and your Account to make Purchases and obtain Cash Advances at any time, so long as you are not in default of this Agreement. When you receive the Card, you may be assigned a PIN. If a PIN is assigned to you, you can obtain a Cash Advance at any authorized ATM by using the Card and the PIN.

**D. Credit Limit for Your Account; Credit Limit for Cash Advances; Security Limitations on Your Use of Your Account.** The initial Credit Limit for your Account will appear on the Card carrier for your Card and subsequently the Credit Limit for your Account will appear on your Statement. Your Account balance, including Interest Charges and Fees, together with any transactions we have authorized but have not yet processed, may not exceed your Credit Limit at any time. However, if we choose to permit (or inadvertently permit) you to obtain credit in excess of your Credit Limit, we may require that you pay us any excess immediately on demand. Your Credit Limit for Cash Advances is half of the Credit Limit for your Account. For example, if your account Credit

Limit is \$200, your Cash Advance Credit Limit is \$100. If your account Credit Limit is \$350, your Cash Advance Credit Limit is \$175. If your account Credit Limit is \$5,000, your Cash Advance Credit Limit is \$2,500. Your available Cash Advance Credit is determined by subtracting from your Cash Advance Credit Limit your total outstanding Cash Advances. Your total outstanding Cash Advances is determined by adding all unpaid Cash Advances from prior statements, the Cash Advances on your last statement, and any Cash Advances you took after the date your last statement was issued. This total includes Fees that are treated as Cash Advances as set forth in Section H.4.f. below. We may offer or accept requests for credit limit increases, which may be subject to a fee as set forth in the section of this Agreement entitled, "Our Charges."

For security reasons, there may be limits on your use of your Account, even if your account balance is under your credit limit. They may apply on a daily basis, a monthly basis, or an annual basis. They may include limits on: (1) the total number of all transactions; (2) the total number of the type of transaction (such as purchases or cash advances); (3) the total number of transactions at a particular type of merchant (such as a jewelry store); (4) the total number of transactions at a particular merchant (such as ABC Discount Store); (5) the total dollar amount of the transactions; (6) the dollar amount of any particular transaction; and (7) the nature of the transaction (such as an online purchase or a cash advance at an ATM). They may also be based on your past use of your Account. These limits may also change from time to time.

**E. Credit Availability.** Payments on your Account and deposits you make to your Savings Account to increase your credit limit will change the amount of credit you have available. When payments on your account are made electronically by 5PM by Moneygrams, debit cards or credit cards, your credit will be available on the next business day after your payment is credited. When deposits you make to your Savings Account to increase your credit limit are made by 4PM by mail by money orders or cashiers' checks, or electronically by Moneygrams, debit cards or credit cards, your credit will be available on the next business day after your deposit is reflected in your Savings Account. Payments are credited as set forth in Section L. below. Deposits are reflected in your Savings Account and earn interest as set forth in Section N. below. All other deposits or payments may not increase your credit availability until we are assured that the payment has not been dishonored. This could take up to 14 calendar days.

**F. Promise to Pay, Accord and Satisfaction, and Electronic Check Conversion.** The Applicant and any Co-Applicant are jointly and severally liable for the Account. You promise to pay to us all sums you owe on your Account, together with Interest Charges and Fees, in U.S. dollars, and payable through a financial institution in the United States, and in accordance with this Agreement and any payment instructions that appear on your Statement. **Any payment check that you send to us for less than the full balance due that is marked "paid in full" or with a similar notation or that you otherwise attempt to tender in full satisfaction of a disputed amount must be sent to our Credit Card Department at P.O. Box 472, Kingston, NJ 08528 with a letter identifying the dispute and that the payment is tendered in satisfaction of the disputed Account balance. No payments shall operate as an accord and satisfaction without prior written approval of a Senior Officer of ours.** We will apply your payments in any lawful manner that we choose. You agree that we may convert any payment check or other payment instrument into an electronic debit transaction that will be processed through the Automated Clearing House system ("ACH") and electronically debited from the account on which the check was drawn. Funds may be withdrawn from that account as soon as the same day we receive your payment check.

Your payment check or other payment instrument will not be physically presented to your financial institution or returned to you. This is called check truncation or check conversion. However, should you need a copy of a check you may contact us and we will provide it to you. You may be charged a fee for such copy request as allowed by law and as set forth in the section of this Agreement entitled "Our Charges."

**G. Statements.** The Statements we send you will reflect the activity and our charges on your Account during each Billing Cycle. They will also show your Minimum Payment and the Payment Due Date by which we must receive it. In general, the information contained on the Statement will be deemed to be correct unless you advise us in writing of any error within 60 days of the Statement Closing Date. If there is more than one of you, we need send the Statements only to the person named as the "Applicant" on the application you signed. We will send a Statement at the end of any Billing Cycle in which we owe you or you owe us more than \$1, or we impose any charge (including Interest Charges), or any payment, credit, Cash Advance or Purchase is posted to your account.

**H. Our Charges.** You agree to pay the following charges to the extent permitted by applicable law, including without limitation Regulation Z:

**1. Annual Fee.** We charge an Annual Fee on your Account at or about the time your Account is opened and at or about the same time each following year. The annual fee for Gold Accounts is \$49. The annual fee for Classic Accounts is \$39.

**2. Late Fee.** We charge a Late Fee of up to \$29.00 for any Minimum Payment which remains unpaid after the Payment Due Date shown on your Statement. We charge a \$25 Late Fee unless you were assessed a Late Fee within the previous six billing cycles, in which case we charge a \$29 Late Fee. However, the Late Fee will never be greater than the Minimum Payment due.

**3. Returned Payment Fee.** We charge a Returned Payment Fee of up to \$29.00 each time any payment you provide is returned to us "unpaid" for any reason. We charge a \$25 Returned Payment Fee unless you were assessed a Returned Payment Fee within the previous six billing cycles, in which case we charge a \$29 Returned Payment Fee. However, the Returned Payment Fee will never be greater than the Minimum Payment due and we will not charge a Returned Payment Fee if we charge a Late Fee as the result of the fact that the payment was returned.

**4. Interest Charges.**

**a. General; Rates; Minimum Interest Charge.** To compute Interest Charges each Billing Cycle, we use a method called the "average daily balance (including new transactions)" method. Each Billing Cycle, we compute Interest Charges as follows:

- (i) To get the total Interest Charges for Purchases, we multiply the average daily balance for Purchases by the daily Periodic Rate for Purchases and then we multiply the result by the number of days in the Billing Cycle.

Gold Accounts: The daily Periodic Rate for Purchases for is **0.02737%** (which corresponds to an **ANNUAL PERCENTAGE RATE** of **9.99%**).

Classic Accounts: The daily Periodic Rate for Purchases for is **0.03833%** (which corresponds to an **ANNUAL PERCENTAGE RATE** of **13.99%**).

- (ii) To get the total Interest Charges for Cash Advances, we multiply the average daily balance for Cash Advances by the daily Periodic Rate for Cash Advances and then we multiply the result by the number of days in the Billing Cycle. The daily Periodic Rate for Cash Advances is **0.05203%** (which corresponds to an **ANNUAL PERCENTAGE RATE** of **18.99%**).
- (iii) To get the total Interest Charges, we add the total Interest Charges for Purchases to the total Interest Charges for Cash Advances. However, if the total Interest Charges would otherwise be between \$0.01 and \$0.99, we will instead charge you a Minimum **INTEREST CHARGE** of **\$1.00**.

**b. Grace Period on Purchases.**

- (iv) If your Account balance is \$0 at the beginning of a Billing Cycle or you pay the entire Account balance as of the beginning of the Billing Cycle by the Payment Due Date that falls in such Billing Cycle, you get a “Grace Period” for the Billing Cycle and during the Billing Cycle you will not be charged any Interest Charges on Purchases.
- (v) If you do not get a Grace Period for a Billing Cycle but you got a Grace Period for the immediately preceding Billing Cycle, we will not charge Interest Charges on Purchases that were outstanding during the preceding Billing Cycle to the extent such Purchases are paid by the Payment Due Date that falls in the current Billing Cycle.
- (vi) If you get a Grace Period on Purchases for a Billing Cycle on account of a payment check that is dishonored in the next Billing Cycle or a credit that is reversed in the next Billing Cycle due to the resolution of a billing dispute as described in Section GG, we will charge you in the next Billing Cycle the Interest Charges you avoided in the prior Billing Cycle due to the dishonored or reversed payment or credit.

**c. Daily Balances and Average Daily Balance on Purchases.** We use the Average Daily Balance Method (including new Purchases). How we compute daily Purchases balances for a Billing Cycle depends upon whether or not you get a Grace Period on Purchases during the Billing Cycle, as provided in Section H(5)(b)(i) above. If Purchases posted during the Billing Cycle get a Grace Period, the Purchases balance is \$0 for each day in the Billing Cycle and the average daily balance of Purchases is \$0. On the other hand, if Purchases posted during the Billing Cycle do not get a Grace Period (because there was a Purchases balance at the beginning of the Billing Cycle that was not paid in full by the Payment Due Date that falls in such Billing Cycle):

- (vii) For each day (including the first day of the Billing Cycle), we start with the prior day’s closing balance of Purchases, if any. However, for the first day of the Billing Cycle, if Purchases posted during the prior Billing Cycle are getting a Grace Period, instead of starting with the prior day’s closing balance of Purchases, we start with the dollar amount of Purchases from the prior Billing Cycle to the extent they are not repaid by the Payment Due Date that falls within the current Billing Cycle.
- (viii) For the first day of the Billing Cycle, we add any unpaid Interest Charges on Purchases that accrued during the prior Billing Cycle. (This results in the monthly compounding of Interest Charges.)



- (ix) For each day in the Billing Cycle, we add any new Purchases posted to your Account and we subtract any payments or credits applied to Purchases. However, we do not subtract a second time any payments or credits that have already been subtracted in step (i) above because they have been applied to Purchases from the prior Billing Cycle that are getting a Grace Period.
- (x) Notwithstanding the foregoing, any negative daily Purchases balance is treated as a \$0 balance. The average daily balance of Purchases equals the sum of the daily Purchases balances during the Billing Cycle divided by the number of days in the Billing Cycle.

**d. Daily Balances and Average Daily Balance on Cash Advances.** We use the Average Daily Balance Method (including new Cash Advances). To get the daily balance of Cash Advances each day: (i) we take the previous day's balance of Cash Advances (if any); (ii) we add any new Cash Advances posted to your Account; and (iii) we subtract any new payments or credits applied to Cash Advances. For the first day of each Billing Cycle, we also add any unpaid Interest Charges on Cash Advances that accrued during the prior Billing Cycle. (This results in the monthly compounding of Interest Charges.) Any negative daily balance is treated as a \$0 balance. This gives us the daily balance of Cash Advances for each day during the Billing Cycle. The average daily balance of Cash Advances equals the sum of the daily Cash Advances balances during the Billing Cycle divided by the number of days in the Billing Cycle.

**e. Interest Accrual Period for Cash Advances and Purchases.** We charge Interest Charges over the following periods:

- (xi) On each Cash Advance, we charge Interest Charges from the date the Cash Advance is posted to your Account until the day the Cash Advance is repaid in full.
- (xii) On each Purchase:
  - (1) If you get a Grace Period for the Billing Cycle in which the Purchase is posted to the Account (the "Initial Cycle") and also for the next Billing Cycle (the "Second Cycle"), we charge no Interest Charges at all.
  - (2) If you get a Grace Period for the Initial Cycle but not for the Second Cycle, we start charging Interest Charges on the first day of the Second Cycle.
  - (3) If you do not get a Grace Period for the Initial Cycle, we start charging Interest Charges on the day the Purchase is posted to the Account.
  - (4) If we start charging Interest Charges on a Purchase (because you do not get a Grace Period in the Initial Cycle), we stop charging Interest Charges on the Purchase on the date it is repaid. However, we do not charge any Interest Charges on the Purchase during any Billing Cycle in which you repay by the Payment Due Date all Purchases outstanding as of the beginning of the Billing Cycle.



- f. Treatment of Fees.** For purposes of computing Interest Charges, all fees discussed in this Agreement, with the exception of the Annual Fees, are treated as Cash Advances. Annual Fees are treated as Purchases.
- g. Payment Due Date.** The Payment Due Date that falls within a Billing Cycle will be at least 25 days after the Statement Closing Date for the prior Billing Cycle.
- 5. Cash Advance Fees.** For each Cash Advance you take there will be a Cash Advance Fee of 5% of the amount of the Cash Advance but not less than \$5.00.
- 6. Optional Expedited Payment Fee.** You agree to pay an Optional Expedited Payment Fee of \$10.00 for each expedited payment by phone you initiate with the assistance of a live representative or agent of ours. This fee will be charged at the time the payment is initiated and is in addition to the amount you wish to have applied to your Account. Your payment will be credited to your account the same day, if received on or before 5:00 p.m. Eastern Time on a business day and otherwise on the next business day.
- 7. Copying Charges.** Except in connection with a proper written notice of a billing error, if you request duplicates of any Statement or other document, we will charge you \$5.00 for each copy we provide.
- 8. Reinstatement Fee.** If you or we terminate credit privileges on your Account for any reason, at your request and in our sole discretion we may reinstate your Account privileges. To be eligible for reinstatement you must resolve any Default to our satisfaction. If we reinstate your Account, we will charge you a \$29 Reinstatement Fee on the date that your request is processed, which may be different from the date the credit privileges on the Account are fully reinstated.
- 9. Stop Payment Fee.** If you request us to stop payment on any Cash Advance Check, we will charge a \$29 Stop Payment Fee on the date that your request is processed. Subject to applicable law, you may request that we stop payment on any Cash Advance Check that has not posted to your Account as long as we receive your request in time to give us a reasonable opportunity to act on it. To request a stop payment, you must provide us with the check number, the date of the Cash Advance Check, the exact amount of the Cash Advance Check, and the payee. However, at our option, and to the extent that we are able, we may honor Stop Payment requests that do not identify the Cash Advance Check in this detail. Only the person who initiated the Stop Payment may make a release of the Stop Payment request. Oral Stop Payment requests are binding for fourteen (14) days only, unless you confirm the request in writing and we receive that confirmation within the fourteen-day period. Written Stop Payment requests and timely written confirmations of oral requests are effective for six (6) months after the latest date the written form is received, accepted, and recorded on your Account, at which time it will automatically expire unless renewed in writing. We will not be liable for any reasonable delay in accepting and recording a Stop Payment to your Account.
- 10. Additional Card Fee.** After your Account is opened, and Cards are issued to the person or persons who applied for the Account, you may request an Additional Card for anyone else who agrees to be jointly and severally liable for the Account. We will charge a \$29 Additional Card Fee for the approval of your request and the issuance of another Card on your Account. This fee will be charged to your Account on the date that your request is processed, which may be different from the date the Additional Card is sent to you or to the person added to the Account.

- 11. Replacement Card Fee.** After a Card has been issued in your name, if you request and we agree to provide a replacement Card, we will charge a \$29 Replacement Card Fee for the Card's replacement. This fee will be charged to your Account on the date that your request is processed, which may be different from the date the Replacement Card is sent to you.
- 12. Automated Account Information Fee.** We will charge you to access our automated account information system through our toll free telephone number. The first two inquiries per Billing Cycle will not incur a charge. Thereafter, a \$0.50 fee for each separate Account inquiry you make through our automated account information system will be assessed. This fee(s) will be charged to your Account on the same day that you make your inquiries. You will be charged for each separate inquiry you make even if you make more than one inquiry during the same call. This fee may be listed on your Statement as an "excessive pinpoint transaction."
- 13. Credit Limit Increase Fee.** We may offer or accept requests for credit limit increases, which may be subject to a Credit Limit Increase Fee of up to \$49.
- 14. Upgrade Fee.** We may charge you an upgrade fee of up to \$49 on the same date we approve any product upgrade you request, for example, from a Classic Account to a Gold Account, which may be different from the date your new Cards are sent to you.
- 15. Foreign Transaction Fee.** We may charge you a Foreign Transaction Fee equal to 3% of the amount of the foreign transaction after it is converted into a U.S. dollar amount as described below in Section J.
- 16. Optional Expedited Card Delivery Fee.** We will charge you an Expedited Card Delivery Fee of up to \$40 to send your Cards to you by overnight mail or by another overnight delivery service.
- 17. Miscellaneous Fees.** To the extent permitted by applicable law, we may charge you any reasonable fees for services rendered or for reimbursement of expenses, incurred in good faith by us or our agents in connection with your Account, or other reasonable fees in connection with our administering, terminating or reinstating your Account. For example, if you continue to use the Account after we advise you that your credit privileges have been terminated, we may charge you for our costs in listing your Account as ineligible for credit and for any fee imposed on recapture of the Card(s) or Cash Advance Checks.
- I. Limit on Charges Imposed During First Year.** Notwithstanding any language in this Agreement to the contrary, unless otherwise permitted by applicable law, the total amount of the Annual Fee, Credit Limit Increase Fee, Cash Advance Fees, Foreign Transaction Fees, and Minimum Interest Charges imposed during the first year after the Account is opened will not exceed 25 percent of the lowest Credit Limit in effect during the first year after the Account is opened. If a charge is imposed that would otherwise exceed this limit, then, in accordance with applicable law, we will make the necessary corrections within a reasonable amount of time but no later than the end of the Billing Cycle following the Billing Cycle during which the limit was exceeded.
- J. Currency Conversion.** If you use your Card to make a Purchase or obtain a Cash Advance in a currency other than U.S. dollars, MasterCard International Incorporated or VISA U.S.A. will convert the charge into a U.S. dollar amount. The currency conversion rate used by MasterCard International or VISA U.S.A. is either a government mandated rate or a wholesale rate determined by MasterCard International or VISA, U.S.A. for the date on which the transaction is processed. The currency conversion rate used by MasterCard International or VISA U.S.A. on the processing date may differ from

the rate that would have been used on the purchase date or statement posting date. We do not determine the currency conversion rate that is used. You agree to pay the converted amount.

**K. Minimum Payments.** You may pay your entire balance at any time, without penalty or premium. Whenever a balance is due, however, each Billing Cycle you must pay us at least the Minimum Payment Due, which we must receive on or before the Payment Due Date shown on the Statement for the prior Billing Cycle. The Payment Due Date will be on the same day of each calendar month (although if the Payment Due Date is not a business day, we will treat any payments made by 5:00 p.m. on the next business day as having been made on the Payment Due Date). The Minimum Payment Due in any monthly Billing Cycle will be equal to the sum of (1) 2% of your New Balance plus the total of all Periodic Rate Interest Charges that have accrued in the Billing Cycle for which the Minimum Payment is being calculated (rounded up to the next dollar) or \$25, whichever is more (or your entire New Balance if less than \$25); plus (2) all past due amounts; plus (3) the amount of any Late Fee charged in the Billing Cycle for which the Minimum Payment is being calculated; plus (4) any amount by which you have exceeded your Credit Limit..

**L. Applying Your Payments.** All payments will be credited promptly, as required by applicable law. Payments received with the return portion of your Statement by 5:00 p.m. Eastern Time at the payment address indicated on the Statement, as well as payments made by 5:00 p.m. Eastern Time either electronically by Moneygram or online by using our web site or by any other means that we promote, will be posted to your Account as of that date. Payments received at the payment address after 5:00 p.m. Eastern Time, as well as payments made after 5:00 p.m. Eastern Time either by using our web site or by any other means that we promote, will be posted to your Account as of our next business day. All other payments will be credited within five days of receipt. Subject to applicable law, we will apply and allocate payment up to the Minimum Payment Due and any credits on your Account among balances and Charges in any order and manner determined by us in our sole discretion. You agree that we have the unconditional right to exercise this discretion in a way that is most favorable or convenient to us. Generally, the amount of payments credited to your Account during a Billing Cycle will be applied first to the balance bearing the lowest APR and then to balances bearing the higher APR, until the Minimum Payment Due payable in the Billing Cycle is credited to your Account. After that, the amount of payments remaining will be applied to the balance bearing the highest APR and then to balances bearing the lower APR in descending order. In most cases, credits will be applied first to the balance from which the corresponding debit originated.

**M. Savings Account.** You grant us a security interest and pledge and assign to us any and all sums now or later in any Savings Account established by you to secure payment of all of your future and existing obligations under this Agreement and your Account. The Savings Account must be maintained by us unencumbered at all times. You may not assign it to anyone else and it may not be subject to any lien, judgment, attachment, or execution. You may add to the Savings Account at any time; however, to assure proper crediting, do not include any deposits to your Savings Account in the same envelope you use to send us a payment on your Account.

With our consent, you may make withdrawals from the Savings Account, so long as the withdrawal does not cause the outstanding balance in the Account (plus any transactions we have authorized but have not yet settled) to exceed your new, lower Credit Limit that would result from the withdrawal. You may be required by us to give written notice of an intended withdrawal not less than seven days before a withdrawal is made. You agree that we may restrict your right to obtain withdrawals from the Savings Account for up to eight weeks, in order to allow sufficient time for all outstanding transactions we have authorized to post to your Account.

To the extent permitted by applicable law, upon a default and without notice to you, we may apply any sums then in the Savings Account, including any interest earned, against what you then owe on your Account. We may retain the Savings Account or any sums remaining in the Savings Account until the latest of the following events: (1) 10 business days after the time all sums owed to us on your Account are paid in full, (2) 8 weeks from the time we receive from you all of the unexpired Cards and Cash Advance Checks, cut in half, or (3) 8 weeks from the time of termination of your Account. We expressly disclaim any security interest in your other property in connection with your Account.

You must provide at least \$200.00 in funds to open your Savings Account. Thereafter, you may add funds to the Savings Account in \$50 increments at any time, provided that the Savings Account may never exceed \$5,000.00. We will increase your Credit Limit as high as the new Savings Account balance, and your Available Credit will increase as set forth in Section E. above, provided that, as required by federal law, your Credit Limit may not exceed the level that we reasonably determine will allow you to make Minimum Payments if you borrow your entire Credit Limit. We may request information about your income, assets and/or current obligations to make this determination. In addition, we may offer to increase your Credit Limit, or agree to your request to increase your Credit Limit, without requiring you to add to the Savings Account; if you accept our offer, or we agree to your request, we may charge you a Credit Limit Increase Fee as set forth in this Agreement.

Your Savings Account will be closed if your Account is closed, in which case we will refund the balance remaining in the Savings Account after payment of all Purchases we have authorized that have not settled and all amounts you owe us. However, we may retain the Savings Account or any sums remaining in the Savings Account until the latest of the following events: (1) ten business days after the time all sums owed to us on your Account are paid in full; or (2) eight weeks from the time of termination of your account. Should the balance remaining in your Savings Account be \$1.00 or less, no refund will be issued unless you request it in writing. Savings Accounts are not held in trust for you.

You have a joint Account if we have issued a Card to more than one person; if you have a joint Account, then the Savings Account will be a joint account with the right of survivorship. Each of you will be deemed to have an equal share and each of you will have the right to make deposits and withdrawals. Upon the death of one of you, the Savings Account will become the property of the survivor(s).

**N. Interest on Your Savings Account.** Your Savings Account will earn interest at a rate of 0.15% Annual Percentage Yield (APY). You will be paid this rate for the first year after your Savings Account is opened. Your Savings Account will be opened as soon as: (1) we have verified your name, address, Social Security Number (or Taxpayer Identification Number), and date of birth; (2) we have confirmed that you have at least \$100 of disposable income; and (3) we have actually received the funds you sent to open your Savings Account from your bank or from the bank used by any other institution you used to send money to us. After the first year, at our discretion, we may change the interest rate on your Savings Account at any time. Interest will be credited monthly but will not be compounded. If you close your Savings Account before interest is credited, you will not receive the accrued interest. You will also forfeit accrued interest and any interest earned and previously credited to your Savings Account if your Account is closed less than one year from the date it was opened. To obtain the disclosed APY, you must maintain at all times a balance at least equal to \$200 or, if your credit limit exceeds \$200, your credit limit. We use the average daily balance method to calculate interest on your Savings Account. The average daily balance is calculated by adding the principal in the account for each day of the month and dividing that figure by the number of days in the month. Interest begins to accrue on the date your Savings Account is opened. If you add funds thereafter,

interest will begin to accrue no later than the business day we receive credit for the deposit. You may make deposits in your Savings Account in \$50 increments at any time but as specified in Section M, captioned "Savings Account," you may not make withdrawals without our consent while your Account is secured.

**O. Closing Your Account and Terminating Credit Privileges.** You may close your Account and terminate your credit privileges at any time by notifying us, in writing, of your intention to do so. If you advise us that you do not want to be responsible or do not want to further obligate the Savings Account for credit obtained or to be obtained on your Account by you or anyone else, we will treat this as your notice of termination. We can close your Account and terminate your credit privileges at any time and for any reason. If you or we close your Account and terminate your credit privileges, you agree to cut in half and immediately return to us your Cards.

You promise that any amounts which you owe us at the time of termination, plus any additional Interest Charges and Fees that will continue to be imposed as specified in this Agreement, will be repaid according to this Agreement.

**P. Default.** You will be in default of this Agreement if any of the following occur:

1. You do not make any Minimum Payment on your Account in full on or before the Payment Due Date;
2. Any of you dies or becomes legally incompetent;
3. Any of you becomes insolvent or bankrupt;
4. You exceed or attempt to exceed the Credit Limit;
5. You provide us with false or misleading information or signatures at any time;
6. You fail to comply with this Agreement;
7. You fail to make any payment or perform any promise in any other agreement or obligation you have with us;
8. Any judgment, lien, attachment or execution is issued against you, the Savings Account or your other property;
9. You use your Account in any fraudulent or unlawful manner;
10. You fail to supply us with any information we reasonably request;
11. We receive information that you are unwilling or unable to perform the terms or conditions of this Agreement;
12. You no longer reside in the U.S. or at a U.S. military location or you provide us with a mailing address that is not an address in the U.S. or an address for a U.S. military location;
13. You make a payment with a remittance that is returned to us "unpaid" for any reason; or
14. You close the Savings Account, or without our consent, withdraw or attempt to withdraw any sum from the Savings Account.

If you are in default, we may immediately terminate credit privileges on your Account. We need not give you notice of termination. We may also demand that you immediately pay us all sums owing on your Account, including all unpaid Interest Charges and Fees. To the extent permitted by applicable law, without notice to you, we may also apply all or any part of the Savings Account

(or any other deposit you have with us) against what you owe on your Account. We may also demand that you cut the Cards in half and immediately return them to us. Although we may have declared your Account to be in default, you agree to pay us Interest Charges at the rates provided in this Agreement until all sums you owe us are paid in full, even if we have demanded that you make immediate payment in full.

**If we waive a default, we do not waive the right to declare the same or any other event occurring later as a default of your Account. If you default and we refer your Account for collection to a collection agency or an attorney who is not a salaried employee of ours, then to the extent permitted by law you agree to pay a reasonable attorney's or collection agency's fee. In addition, to the extent permitted by law, you agree to pay all court or other collection costs actually incurred by us if we start collection proceedings to recover amounts you owe us on this Agreement.**

**Q. If Your Card Is Refused.** We are not responsible if a merchant, bank or ATM refuses to honor your Card or if we are unable to authorize credit for a particular transaction due to operational difficulties. Transactions made above a certain dollar amount may require authorization before the transaction is approved. The number of transactions you make in one day may be limited. These restrictions are for security reasons. As a result, we cannot explain the details of how our authorization system works. Neither we nor our agents will be responsible if authorization for a transaction is not given. If your Account is overlimit or delinquent, authorization of credit for transactions may be declined.

**R. Lost or Stolen Cards.** You agree to notify us immediately if any Cards are lost or stolen, or if you suspect that they have been used, or may be used, without your permission. You may notify us by calling 800-768-9897. You will not be liable for the unauthorized use of any of your Cards or of your Account, as set forth in Section JJ below.

**S. Transfer of Rights.** We may sell or otherwise transfer your Account, your Savings Account, and any accounts and amounts owed by you to another creditor at any time. If we do, this Agreement will remain in effect. You may not transfer your rights under your Account and under this Agreement. Any attempt to do so will be void.

**T. Privacy.** Your account is subject to our privacy practices as set forth in our privacy notice. You have received, and you agree to, the privacy notice we provided.

**U. No Return of Cash Advance Checks.** If we issue Cash Advance Checks or drafts to you for use with your Account, you agree that we need not return to you those that you use. If you need evidence of any payment made to a merchant or other person by a Cash Advance Check or draft, you agree that a photocopy or similar reproduction we provide to you will be satisfactory for such purposes. Such copies are subject to the Copying Charges listed in the Our Charges section of this Agreement.

**V. Credit Information.** In addition to our right to exchange information about you with certain other parties, as set forth elsewhere in this Agreement, you also authorize us to obtain reports from others (such as lenders, stores and credit reporting agencies) from time to time bearing on your credit status, and you authorize such other persons to provide such information. To the extent permitted by law, you also authorize us to disclose information about you and your performance under this Agreement: (1) to credit reporting agencies; (2) to other persons that we believe have a legitimate reason to request such information; (3) to our servicing representatives and marketing companies; (4)

where we reasonably believe disclosure is useful to ensure your compliance with your agreements and; (5) where you give us your written permission. You also agree, if and when asked, to furnish us with financial information about yourself.

**W. Integrated Agreement; Severability.** The Account Opening Disclosure that was sent to you with this Agreement is incorporated into and an integrated part of this Agreement. If there is any conflict between any provision of the Account Opening Disclosure and any other provision of this Agreement, the provision of the Account Opening Disclosure will apply, not the other provision. If any provision of this Agreement is invalid or unenforceable under any law, rule or regulation, it shall not affect the validity or enforceability of any other provision of this Agreement.

**X. Changing This Agreement.** We may amend this Agreement from time to time in accordance with applicable law. For example, we may change your Account number or the Minimum Payment, increase the Annual Percentage Rates on your Account, add new charges or fees or change the method of computing the balances upon which we impose our charges. We may also make other changes, such as changes to the terms that apply to your Savings Account. When we amend your Agreement, we will send you prior notice of the change to the extent required by applicable law. Unless you advise us in writing of your intention to terminate the credit privileges on your Account during the notice period or unless the notice or applicable law provides otherwise, the change will automatically occur at the end of that period to the extent set forth in the notice. The change in terms will apply to existing balances and new transactions on your Account, of, if applicable, on your Savings Account, unless the notice or applicable law provides otherwise.

**Y. Governing Law.** This Agreement is entered into between you and us in New Jersey. We make decisions about granting credit to you and extending credit to you under this Agreement in New Jersey. Consequently, with the exception of the Arbitration Provision below, which is subject to its own governing law clause, this Agreement and your Account will be governed by federal law and the laws of New Jersey, to the extent not preempted, without regard to conflict of laws rules.

**Z. No Waiver.** If we do not exercise any right we may have against you, we do not waive that right. We can exercise it against you in the future.

**AA. Our Property.** Each Card we issue on your Account must be signed by the person named on it, but the Card is and remains only our property. You must surrender each Card to us or anyone designated by us upon demand.

**BB. Binding Effect.** If we pay a participating merchant for a Purchase or post a Cash Advance to your Account before we receive actual written notice of your death or legal incompetency, that transaction will be a valid and binding Account obligation upon you, your estate and your personal representatives.

**CC. Your Information.** You agree to provide us with accurate and updated information necessary to communicate with you and to send you information about your Account. Your Cards, Statements and any other notices will be sent to you at the address in our files. If you change your name, address, telephone numbers or e-mail address, you must notify us promptly. We may at our option accept corrections or updates to your personal information from the United States Postal Service and others. You agree that in the event that we do not have valid personal information on file we may obtain such information from a third party. You agree that we may send information to you about your Account by e-mail and that such information may include, among other things, its delinquency or overlimit status. If you do not want us to send account information by e-mail, please send a written request to our customer service address asking us not to do so.



**DD. Illegal Transactions.** Your Card may not be used for any illegal or gambling transactions. Restricted transactions are prohibited from being processed through your account with us as required by the Unlawful Internet Gambling Enforcement Act of 2006 and Regulation GG. A restricted transaction is a transaction or transmittal involving any credit, funds, instrument, or proceeds in connection with the participation of another person in unlawful internet gambling.

**EE. Telephone Communications, Monitoring, and Recording.** You agree that we and our agents, affiliates, contractors, subcontractors and assignees may call or contact you at any telephone number obtained by any reasonable means, including without limitation, a caller identification system that captures your number when you call us or from a third party such as one of your creditors.

To the extent permitted by applicable law, you expressly consent to receiving calls, text messages and other communications from us, our agents, affiliates, contractors, subcontractors, and assignees on any number that is assigned to a cellular telephone service, wired telephone service (land line), paging service, facsimile machine, specialized mobile radio service or other radio common carrier service, placed through use of an autodialer, artificial voice or pre-recorded message, or any other technology, even if you incur a cost when we contact you.

You further agree that we may monitor, record, retain and reproduce your telephone calls and any other communications you provide to us, regardless of how transmitted to us, for training, quality control, evidentiary and other purposes. However, we are not under any obligation to monitor, record, retain or reproduce such items, unless required to do so by applicable law.

**FF. Notice and Cure.** Prior to initiating a lawsuit or arbitration regarding a legal dispute or claim relating in any way to this Agreement or the Account (as more fully defined in the Arbitration Provision set forth in Section GG, a "Claim"), the party asserting the Claim (the "Claimant") shall give the other party (the "Defending Party") written notice of the Claim (a "Claim Notice") and a reasonable opportunity, not less than 30 days, to resolve the Claim on an individual basis. Any Claim Notice to you shall be sent in writing by mail to the address for you maintained in our records. Any Claim Notice to us shall be sent by mail, attention General Counsel, to Berkshire Bank, Kingston, New Jersey, P.O. Box 472, Kingston, New Jersey 08528 (or such other address as we subsequently provide you). Any Claim Notice you send must provide your Account Number and telephone number. Any Claim Notice must explain the nature of the Claim and the relief that is demanded. The Claimant must reasonably cooperate in providing any information about the Claim that the Defending Party reasonably requests.

**GG. Waiver of Right to Trial by Jury. YOU AND WE ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL RIGHT BUT MAY BE WAIVED IN CERTAIN CIRCUMSTANCES. TO THE EXTENT PERMITTED BY LAW, YOU AND WE KNOWINGLY AND VOLUNTARILY WAIVE ANY RIGHT TO TRIAL BY JURY IN THE EVENT OF LITIGATION ARISING OUT OF OR RELATED TO THIS AGREEMENT. THIS JURY TRIAL WAIVER SHALL NOT AFFECT OR BE INTERPRETED AS MODIFYING IN ANY FASHION THE ARBITRATION PROVISION SET FORTH IN SECTION FF, IF APPLICABLE, WHICH CONTAINS ITS OWN SEPARATE JURY TRIAL WAIVER.**

**HH. Arbitration Provision.** Unless you have exercised your right to reject arbitration under subsection (13) below, subject to applicable federal law, the following Arbitration Provision will apply:

1. *General:* Either you or we may elect to arbitrate - and require the other party to arbitrate - any Claim (as defined below) under the following terms and conditions. If you or we elect to arbitrate a Claim, neither you nor we will have the right to: (a) have a court or a jury decide the Claim; (b) participate in a class action in court or in arbitration, either as a class representative or a class member; (c) act as a private attorney general in court or in arbitration; or (d) join or consolidate your Claim(s) with claims of any other person. The right to appeal and the right to pre-arbitration discovery are more limited in arbitration than in court. Other rights that you would have if you went to court may also not be available in arbitration.
2. *Definitions:* The following definitions apply to this Arbitration Provision, even if terms defined in this Arbitration Provision are defined differently elsewhere in this Agreement:
  - a. “We,” “us” and “our” mean Berkshire Bank, Kingston, New Jersey, together with any subsequent holder of this Agreement. Also, these terms include the parents, subsidiaries, affiliates and successors of such companies, as well as the officers, directors, agents and employees of any of the foregoing. These terms also include any party named as a co-defendant with us in a Claim asserted by you, such as marketing companies, credit bureaus, credit insurance companies, credit card servicers, and debt collectors. “You,” “your” and “yours” mean each and every person who uses a Card and each and every person who applied for the Account.
  - b. “Administrator” means the American Arbitration Association (“AAA”), 1633 Broadway, 10th Floor, New York, NY 10019, [www.adr.org](http://www.adr.org), 800-778-7879; JAMS, 620 Eighth Avenue, 34th Floor, New York, NY 10018, [www.jamsadr.com](http://www.jamsadr.com), 212-751-2700; or any other company selected by mutual agreement of the parties. If both AAA and JAMS cannot or will not serve and the parties are unable to select an Administrator by mutual consent, the Administrator will be selected by a court. You get to select the Administrator if you give us written notice of your selection with your notice that you are electing to arbitrate any Claim or within 20 days after we give you notice that we are electing to arbitrate any Claim (or, if you dispute our right to require arbitration of the Claim, within 20 days after that dispute is finally resolved). If you do not select the Administrator on time, we may do it. Notwithstanding any language in this Arbitration Provision to the contrary, no arbitration may be administered, without the consent of all parties to the arbitration, by any Administrator that has in place a formal or informal policy that is inconsistent with subsection (4) below captioned “No Class Actions” (the “Class Action Waiver”).
  - c. “Claim” means any claim, dispute or controversy between you and us that in any way arises from or relates to this Agreement or the Account, including disputes arising from actions or omissions prior to the date of this Agreement. “Claim” has the broadest reasonable meaning, and includes initial claims, counterclaims, cross-claims and third-party claims. It includes disputes based upon contract, tort, consumer rights, fraud and other intentional torts, constitution, statute, regulation, ordinance, common law and equity (including any claim for injunctive or declaratory relief). However, notwithstanding any language in this Arbitration Provision to the contrary, the term “Claim” does not include any dispute about the validity, enforceability, coverage or scope of this Arbitration Agreement or any part thereof (including, without limitation, the Class

Action Waiver, the final sentence in subsection (10) under the caption “Survival, Severability, Primacy” and/or this sentence); all such disputes are for a court and not an arbitrator to decide.

3. *Starting Arbitration:* To start an arbitration, you or we must give written notice of an election to arbitrate. This notice may be given after a lawsuit has been filed and may be given in papers or motions in the lawsuit. If such a notice is given, the Claim shall be resolved by arbitration under this Arbitration Provision and the applicable rules of the Administrator then in effect. We will not elect to arbitrate any individual action brought by you in small claims court or your state’s equivalent court, when such action is transferred, removed, or appealed to a different court
4. *No Class Actions:* **Notwithstanding any language herein to the contrary, if you or we elect to arbitrate a Claim, neither you nor we will have the right to: (a) participate in a class action in court or in arbitration, either as a class representative, class member or class opponent; (b) act as a private attorney general in court or in arbitration; or (c) join or consolidate your Claims with claims of any other person, and the arbitrator shall have no authority to conduct any such class, private attorney general or multiple-party proceeding.**
5. *Location and Costs:* Any arbitration hearing that you attend will take place in a location that is reasonably convenient for you. If you cannot obtain a waiver of the Administrator’s or arbitrator’s filing, administrative, hearing and/or other fees, we will consider in good faith any request by you for us to bear such fees. We will pay for our own attorneys, experts and witnesses and will pay the reasonable fees and charges of your attorneys, experts and witnesses if you win the arbitration. We will pay any of the Administrator’s or arbitrator’s filing, administrative, hearing and/or other fees, and the fees and charges of your attorneys, experts and witnesses, if and to the extent we are required to pay such fees and charges by law or in order to make this Arbitration Provision enforceable.
6. *Arbitrator Selection:* The arbitrator will be appointed by the Administrator in accordance with the rules of the Administrator. However, unless the parties agree otherwise, the arbitrator must be a retired or former judge or a lawyer with at least 10 years of experience.
7. *Discovery; Getting Information:* In addition to the parties’ rights under the Administrator’s rules to obtain information prior to the hearing, either party may ask the arbitrator for more information from the other party. The arbitrator will decide the issue in his or her sole discretion, after allowing the other party the opportunity to object.
8. *Effect of Arbitration Award:* Any court with jurisdiction may enter judgment upon the arbitrator’s award. The arbitrator’s award will be final and binding, except for: (a) any appeal right under the Federal Arbitration Act, 9 U.S.C. §1 *et seq.* (the “FAA”); and (b) Claims involving more than \$50,000. For Claims involving more than \$50,000, any party may appeal the award to a three-arbitrator panel appointed by the Administrator, which will reconsider anew any aspect of the initial award that is appealed. The panel’s decision will be final and binding, except for any appeal right under the FAA. The costs of any appeal will be borne in accordance with subsection (5) above captioned “Location and Costs.”
9. *Governing Law:* This Agreement governs transactions involving interstate commerce and accordingly this Arbitration Provision shall be governed by the FAA and not by any state law

concerning arbitration. However, the law of the state where you reside will apply to the extent (and only to the extent) that state law would be relevant under the FAA in determining the applicability or enforceability of this Arbitration Provision. The arbitrator shall follow applicable substantive law to the extent consistent with the FAA, applicable statutes of limitation and applicable privilege rules, and shall be authorized to award all remedies available in an individual lawsuit under applicable substantive law, including, without limitation, compensatory, statutory and punitive damages (which shall be governed by the constitutional standards applicable in judicial proceedings), declaratory, injunctive and other equitable relief, and attorneys' fees and costs. Upon the timely request of either party, the arbitrator shall write a brief explanation of the basis of his or her award. The arbitrator will follow rules of procedure and evidence consistent with the FAA, this Arbitration Provision and the Administrator's rules.

10. *Survival, Severability, Primacy:* This Arbitration Provision shall survive the termination of this Agreement, your fulfillment or default of your obligations under this Agreement and/or your or our bankruptcy (to the extent permitted by applicable law). In the event of any conflict or inconsistency between this Arbitration Provision and the Administrator's rules or this Agreement, this Arbitration Provision will govern. If any portion of this Arbitration Provision, other than the Class Action Waiver, is deemed invalid or unenforceable, the remaining portions shall nevertheless remain in force. If a determination is made that the Class Action Waiver is unenforceable, only this sentence of the Arbitration Provision will remain in force and the remaining provisions shall be null and void, provided that the determination concerning the Class Action Waiver shall be subject to appeal.
11. *Amendment/Termination:* Notwithstanding any provision of this Agreement to the contrary, we will not amend this Arbitration Provision in a manner that adversely affects your rights or responsibilities in a material manner unless we give you a right to reject the amendment and/or the Arbitration Provision in its entirety.
12. *Special Payment:* If (a) you submit a Claim Notice on your own behalf (and not on behalf of any other party) in accordance with subsection (GG), captioned " Notice and Cure" (including the timing requirements thereof); (b) we refuse to provide you with the relief you request; and (c) an arbitrator subsequently determines that you were entitled to such relief (or greater relief), the arbitrator shall award you at least \$7,500 in addition to the attorney, witness and expert fees and costs to which you are entitled.
13. **RIGHT TO REJECT ARBITRATION.** You may reject this Arbitration Provision by sending us a written rejection notice in accordance with this subsection (13). We must receive the rejection notice within 45 days after we mail you a Card. You may not reject arbitration by phone or by any method other than the method described in this subsection (13). In order for a rejection notice to be valid and effective, it must: (a) state that you (or both or all of you, if more than one) wish to reject the Arbitration Provision; (b) state your name, address and Account number; (c) be signed by you (or both or all of you, if more than one); and (d) be sent by certified mail, return receipt requested, to Berkshire Bank, Kingston, New Jersey, Attn: Arbitration Rejection, P.O. Box 472, Kingston, NJ 08528. Upon receipt of this notice, we will credit your Account for the standard cost of a certified letter.

## **II. Your Billing Rights.**

## **Your Billing Rights: Keep This Document For Future Use**

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

### **What To Do If You Find A Mistake On Your Monthly Statement**

If you think there is an error on your statement, write to us at: Berkshire Bank, Attn: Customer Service. PO Box 9201, Old Bethpage, NY 11804.

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 3 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. 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 must do two things:**

1. Within 30 days of receiving your letter, we must 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 must 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 (and until we have complied with our obligations above):**

- 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 the 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 of 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 of 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 of the criteria above are met and you are still dissatisfied with the purchase, contact us in writing at Berkshire Bank, Kingston, New Jersey, Attn: Customer Service. P.O. Box 9201, Old Bethpage, NY 11804.

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.

**JJ. Your Liability for Unauthorized Use of Your Account**

You will not be liable for any unauthorized use of your credit card or account. However, if you notice the loss or theft of your credit card or a possible unauthorized use of your card, you should write to us immediately at: Berkshire Bank, Credit Card Department, P.O. Box 9201, Old Bethpage, NY 11804, or call us at: 800-768-9897.

Berkshire Bank  
Kingston, NJ  
Member FDIC  
[Berkshire Bank is a Massachusetts Chartered bank](#)