

# PAYMENT GUARD PLUS

## Terms and Conditions

### MRV Banks

Payment Guard Plus is an optional program in which You may enroll. Your participation in Payment Guard Plus will be subject to Payment Guard Plus Terms and Conditions (“Terms and Conditions”) that supplement Your Cardholder Agreement. After You enroll, these Terms and Conditions will contain the requirements and exclusions under which We will cancel Your obligation to pay Us certain amounts owed on Your Protected Account upon the occurrence of an Eligible Event.

Please read these Terms and Conditions carefully as it contains information about eligibility requirements, conditions and exclusions that could prevent You from receiving benefits under this Payment Guard Plus program. Whether or not You purchase Payment Guard Plus will not affect the terms of Your current Cardholder Agreement or any application for credit You have with Us.

#### **DEFINITIONS**

“Benefit(s)” - the cancellation of the New Balance or the Monthly Payment (s) on the Protected Account, for a specific Eligible Event, as applicable, in accordance with these Terms and Conditions.

“Cardholder Agreement” – the terms and conditions governing Your Protected Account.

“Effective Date” - the date Your Payment Guard Plus is effective. Your Effective Date will be shown in Your enrollment materials.

“Eligible Event” – Involuntary Unemployment, Disability, Total and Permanent Disability, Loss of Life, Hospitalization, Auto Service Expense and Medical Expense, as defined below.

“Event Date” – the date Your Eligible Event began.

“Health Care Provider” - a Doctor of Medicine or osteopathy, podiatrist, dentist, chiropractor, clinical psychologist, optometrist, nurse practitioner, nurse-midwife, or a clinical social worker who is authorized to practice by a state and performing within the scope of their practice as defined by state law. The Health Care Provider must be licensed in one of the states in the United States or in a United States territory.

“New Balance” - the unpaid principal balance, accrued finance charges, Payment Guard Plus fees and other fees as shown on Your Protected Account statement.

“Program Administrator” - the company retained by Us to assist Us in providing Payment Guard Plus services to You.

“Protected Account” or “Account” - the Credit Card Account issued by MRV Banks which these Terms and Conditions cover.

“Monthly Payment” - the amount You must pay on Your Protected Account each month as set forth in your Cardholder Agreement. It does not include past due amounts or amounts over the authorized credit line or limit.

“We,” “Us,” or “Our” - the creditor on Your Cardholder Agreement.

“You” or “Your” - the primary cardholder who opened the Account and who is liable for debt incurred on the Protected Account.

#### **PAYMENT GUARD PLUS BENEFITS**

Involuntary Unemployment means you suffer a loss of income because of an involuntary loss of permanent employment due to lay-off, employer termination, generalized strike, unionized labor dispute or lockout.

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Disability means you become unable to perform the major duties of your occupation or are unable to pursue your normal daily activities, due to a physical or mental impairment that is not self-inflicted for at least thirty (30) consecutive days as verified by your licensed Health Care Provider, who provided you continuous care.

Total and Permanent Disability means you become unable to perform the major duties of your occupation or are unable to pursue your normal daily activities, due to a physical or mental impairment that is not self-inflicted as verified by your licensed Health Care Provider, who provided you continuous care and who has confirmed that your disability is total and permanent.

Loss of Life means Your death.

Hospitalization means you are admitted to a hospital and stay overnight for at least one (1) night. A "hospital" means any licensed medical hospital, acute care facility, convalescent nursing facility, residential drug facility, psychiatric facility, hospice facility, or licensed nursing home.

Auto Service Expense means you incur auto service/parts expenses totaling \$250 or greater.

Medical Expense means you incur medical expenses totaling \$250 or greater.

#### **IMPORTANT FEE INFORMATION**

Fee Calculation – The monthly fee for Payment Guard Plus is \$1.19 per \$100 of Your New Balance as reflected on Your monthly billing statement each month. For example, if Your monthly billing statement showed Your New Balance as \$200, a Payment Guard Plus fee of \$2.38 would be charged as a purchase to Your Account (\$200 divided by \$100 times \$1.19 equals \$2.38).

- If Your New Balance is less than \$100, the Payment Guard Plus fee will still be charged using the same calculation as above. For example, if the New Balance on Your monthly billing statement was \$50, the Payment Guard Plus fee for that month would be \$50 divided by \$100 times \$1.19 which equals \$0.60.
- You will be charged a Payment Guard Plus fee whenever You have a positive New Balance on Your monthly billing statement, even if You pay that balance in full each month.
- If the New Balance is \$0.00 as reflected on Your monthly billing statement, You will not be charged a Payment Guard Plus fee for that month.

#### **GENERAL ELIGIBILITY REQUIREMENTS**

- If, prior to the Effective Date, You became unemployed, disabled, permanently and totally disabled, or hospitalized; incurred an auto expense, or incurred a medical expense, Payment Guard Plus will not protect that event.
- If multiple Eligible Events occur at the same time and have the same Eligible Event date, You will need to choose one Eligible Event for which to claim Your Payment Guard Plus Benefit.
- The Protected Account can only receive one Benefit per billing cycle.
- You must continue to make Your Total Minimum Payment Due under Your Cardholder Agreement until and unless the Program Administrator notifies You in writing that You have been granted a Benefit. You understand that Your Monthly Payment does not include any amounts past due or in excess of your credit limit that you may owe on Your Protected Account. As a result, Your Total Minimum Payment Due (as

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defined in Your Cardholder Agreement) in any billing cycle may exceed Your Monthly Payment. If this occurs, you are responsible for paying the difference between the Monthly Payment and Your Total Minimum Payment Due. Per your Cardholder Agreement, failure to make required payments may result in fees or negative action against Your Account and may also result in negative reporting to consumer reporting agencies.

- In order to be eligible for a Benefit, the Event Date of the Eligible Event must occur while You are enrolled in Payment Guard Plus and while Your Protected Account is less than ninety (90) days past due.
- You must notify the Program Administrator of the Eligible Event within 365 days from the Event Date.
- The Program Administrator may ask You to provide additional information or documents to qualify for or review Your Benefit Request.
- While we're processing your benefit and you are awaiting a decision, you must continue to make required payments on your Account. Per your Cardholder Agreement, failure to make required payments may result in fees or negative action against your Account and may also result in negative reporting to consumer reporting agencies.

#### **INVOLUNTARY UNEMPLOYMENT**

Involuntary Unemployment means a total loss of full-time employment (30 or more hours per week) due to:

- an involuntary termination of employment
- an individual or mass layoff.
- a unionized labor dispute or lockout; or
- a general strike.

#### Eligibility

To qualify for an Involuntary Unemployment Benefit, You must:

- Be unemployed for at least 30 days in a row; and
- Provide proof You worked at least 30 hours per week during the 30 days immediately before Your Involuntary Unemployment by having the employer's statement completed on the Benefit Request Form; and
- Provide proof that You qualify for and are receiving state or federal unemployment benefits unless:
  - Benefits were exhausted by a past period of unemployment.
  - The employer was a nonprofit organization not required to withhold taxes.
  - You did not earn enough in the period during which state or federal benefits are based; or
  - The Involuntary Unemployment is the result of a general strike.

If You do not qualify for state unemployment benefits due to one of the reasons listed above, You must provide a copy of the denial letter from the state unemployment office and proof of current registration with the state unemployment office or an employment agency in lieu of proof that You qualify for state unemployment benefits. In the event of a strike, labor dispute or lockout, a union representative or designated individual must sign the Benefit Request Form specifying the situation causing the Involuntary Unemployment.

In the event the cause of unemployment provided by the state unemployment office and the employer information contradict each other, the state unemployment office information shall overrule the employer information.

If You are self-employed or an independent contractor, You must qualify for Your state's unemployment benefits.

#### Exclusions

You will not qualify for an Involuntary Unemployment Benefit if:

- You voluntarily resign or retire.
- Your employment was seasonal.

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- Your employment ends due to scheduled end of employment contract.
- Your Involuntary Unemployment begins within the first 30 days after the Effective Date.
- You have applied for or are currently receiving Social Security Disability Benefits, Worker's Compensation Disability Benefits, or are otherwise not working due to medical reasons.
- You have experienced a reduction in work hours which does not result in total unemployment; or
- Your termination is a result of willful or criminal misconduct.

#### Involuntary Unemployment Benefit Amount and Duration

The Involuntary Unemployment Benefit Amount is equal to the Monthly Payment owed on the Protected Account when the Benefit Request is approved. You may be eligible for an Involuntary Unemployment Benefit for each 30-day period You remain Involuntarily Unemployed and provide proof that the Eligible Event continued. Each monthly Involuntary Unemployment Benefit will be applied as a statement credit and be equal to the then current Monthly Payment. The maximum Involuntary Unemployment Benefit is 6 consecutive Monthly Payments. If your Account is eligible for 6 consecutive Monthly Payments as an Involuntary Unemployment Benefit for an Eligible Event, we will cancel the New Balance from the first billing statement on or after the Event Date minus any Monthly Payments already made for this Eligible Event. In cases where you have been experiencing an Involuntary Unemployment event for 6 consecutive months or more at the time of Involuntary Unemployment Benefit approval, then we will cancel the New Balance from the first billing statement on or after the Event Date.

#### Re-eligibility

Once You have been granted a Benefit for Involuntary Unemployment and your Benefit eligibility expires for that Eligible Event, You must regain full-time employment for at least 30 consecutive days (30 or more hours per week) before You will be considered eligible for another Involuntary Unemployment Benefit.

### **DISABILITY**

Disability means you become unable to perform the major duties of your occupation or are unable to pursue your normal daily activities due to an illness or injury.

#### Eligibility

To qualify for a Benefit due to a Disability:

- You must be disabled for at least 30 days in a row; and
- You must be under the treatment of a licensed Health Care Provider who verifies Your Disability in writing.

#### Disability Benefit Amount and Duration

The Disability Benefit Amount is equal to the Monthly Payment owed on the Protected Account when the Benefit Request is approved. You may be eligible for a Disability Benefit for each 30-day period You remain disabled and provide proof that the Eligible Event continued. Each monthly Disability Benefit will be applied as a statement credit and be equal to the then current Monthly Payment. The maximum Disability Benefit is 6 consecutive Monthly Payments. If your Account is eligible for 6 consecutive Monthly Payments as a Disability Benefit for an Eligible Event, we will cancel the New Balance from the first billing statement on or after the Event Date minus any Monthly Payments already made for this Eligible Event. In cases where you have been experiencing a Disability event for 6 consecutive months or more at the time of Disability Benefit approval, then we will cancel the New Balance from the first billing statement on or after the Event Date.

#### Re-eligibility

If Your most recent Disability recurs within 30 days of Your Health Care Provider allowing You to resume normal activities, this will be considered a continuation of the previous Disability.

To be eligible for another Disability Benefit where the Disability is the same or similar, the new event must occur 180 days or more after the Event Date of a previously approved Disability Benefit.

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To be eligible for another Disability Benefit where the Disability is not the same or similar, You may be eligible for another Disability Benefit if the event occurs more than 30 days after Your Health Care Provider allows You to resume normal activities. You will need to meet the Eligibility requirements stated above.

#### **Total and Permanent Disability**

Total and Permanent Disability means you become totally and permanently unable to perform the major duties of your occupation or are totally and permanently unable to pursue your normal daily activities, due to a physical or mental impairment.

#### Eligibility

To qualify for a Benefit due to a Total and Permanent Disability:

- Your condition is verified by your licensed Health Care Provider, who provided you continuous care and who has confirmed your Disability is total and permanent in writing.

#### Exclusion

- You will not qualify for a Total and Permanent Disability Benefit if Your Total and Permanent Disability is self-inflicted.

#### Total and Permanent Disability Benefit Amount and Duration

The Total and Permanent Disability Benefit Amount is applied as a statement credit equal to the New Balance from the first billing statement on or after the Event Date. You will only be eligible for one (1) Total and Permanent Disability Benefit under these Terms and Conditions.

#### **LOSS OF LIFE**

Loss of Life means Your death.

#### Eligibility

To qualify for a Benefit due to a Loss of Life:

- The Program Administrator must receive a certified copy of the death certificate.

#### Loss of Life Benefit Amount

The Loss of Life Benefit Amount is applied as a statement credit equal to the New Balance from the first billing statement on or after the Event Date.

#### **HOSPITALIZATION**

Hospitalization means You are confined or admitted to a hospital as a registered patient. Hospital means any licensed medical hospital, acute care facility, convalescent nursing facility, residential drug, psychiatric or hospice facility.

#### Eligibility

To qualify for a Benefit due to Hospitalization, You must be confined or admitted to a hospital for at least one night.

#### Hospitalization Benefit Amount and Duration

The Hospitalization Benefit Amount is applied as a statement credit equal to the Monthly Payment owed on the Protected Account when the Benefit Request is approved. You may be eligible for one Monthly Payment. You are eligible for only one Hospitalization Benefit per calendar year.

#### **AUTO SERVICE**

Auto Service means You have auto service or parts expenses totaling \$250 or more.

#### Eligibility

To qualify for an Auto Service Benefit, You must provide proof of an auto service or parts expense of \$250 or more.

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#### Auto Service Benefit Amount and Duration

The Auto Service Benefit Amount is applied as a statement credit equal to the Monthly Payment owed on the Protected Account when the Benefit Request is approved. You may be eligible for one Monthly Payment. You are eligible for only one Auto Service Benefit per calendar year.

#### **MEDICAL EXPENSE**

Medical Expense means You have medical expenses totaling \$250 or more in connection with a medical care expense incurred by You.

#### Eligibility

To qualify for a Medical Expense Benefit, You must provide proof of a medical expense of \$250 or more.

#### Medical Expense Benefit Amount and Duration

The Medical Expense Benefit Amount is applied as a statement credit equal to the Monthly Payment owed on the Protected Account when the Benefit Request is approved. You may be eligible for one Monthly Payment. You are eligible for only one Medical Expense Benefit per calendar year.

#### **HOW TO REQUEST BENEFITS**

To request a Benefit, You must notify the Program Administrator within 365 days from the Event Date. by calling the Program Administrator at the toll-free number provided once you have enrolled.

The Benefit Request Form will be sent to You via U.S. Mail. You must complete the Benefit Request Form and mail it along with the required documentation.

If You have any questions, You may contact the Program Administrator by calling the toll-free number provided..

#### **PAYMENT GUARD PLUS CANCELLATION**

You may cancel Payment Guard Plus by contacting the Program Administrator. You cancel Payment Guard Plus within the first 60 calendar days after Your Effective Date, any Payment Guard Plus fees You have been billed will be credited to your Account. If You cancel after the first 60 days, no credit will be issued. These Terms and Conditions will end as of the date We receive and process Your request to cancel Payment Guard Plus.

We may cancel these Terms and Conditions by providing 30 days written notice to the last address in Our records of the accountholder. These Terms and Conditions will end on the date identified in the written termination notice. Additionally, We may immediately end these Terms and Conditions by written notice to You if We discover that You provided false information in regard to a Benefit Request or You misrepresented any information to Us about Your participation in Payment Guard Plus.

Upon termination or cancellation by Us or by You, You will not be eligible to receive Benefits for any Eligible Event with an Event Date on or after the date of termination or cancellation. You may be eligible to receive Benefits for any Eligible Event which occurred prior to the cancellation date.

You are not entitled to any Payment Guard Plus fee credits after the first 60 days after enrollment. Receiving a credit for Payment Guard Plus fees will shorten Your protection period by the number of months for which fees were credited.

If these Terms and Conditions are cancelled, You will not be able to participate in Payment Guard Plus unless You submit a new enrollment request, and We approve Your request.

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#### **PROGRAM SUSPENSION AND REINSTATEMENT**

Your enrollment will be suspended, and You will no longer be charged Payment Guard Plus fees, if You are 90 days past due on Your Protected Account or You are in default under Your Cardholder Agreement and charging privileges have been suspended.

If your Account status changes and the Account is no longer 90 or more days past due or in default and charges can be made again, We will reinstate Your Payment Guard Plus protection. Payment Guard Plus fees will then be charged to your Account again. There is no protection for Eligible Events which began during the time Your enrollment was suspended.

If your Account status does not change and Your Account continues to be 90 or more days past due or in default under Your Cardholder Agreement, We will not reinstate Your enrollment in Payment Guard Plus.

#### **OTHER PROVISIONS**

- We may change any part of these Terms and Conditions at any time. We or Program Administrator will notify You of these changes in the event these changes materially lessen your rights or remedies. You have the right to terminate these Terms and Conditions by notifying Program Administrator if you do not agree with those changes.
- You agree that We have the right, at Our own expense, to examine Your person and Your medical records in connection with any of Your requests for Benefits.
- These Terms and Conditions are a supplement to Your Cardholder Agreement. All provisions of Your Cardholder Agreement remain in full force and effect. In the event of any conflict between the terms of these Terms and Conditions and the terms contained in the Cardholder Agreement as such terms apply to these Terms and Conditions; the terms of these Terms and Conditions shall govern.
- A Benefit and the cancellation of debt may be taxable as income. You should contact a qualified tax advisor concerning any tax impact. You are solely liable for any applicable taxes.
- Arbitration and Waiver of Class Action provisions that are included in Your Cardholder Agreement also apply to any disputes that may arise under these Terms and Conditions.
- Payment Guard Plus is not insurance.
- We reserve the right to waive any of the requirements in these Terms and Conditions, at our sole discretion. However, if We do waive any requirements, We will not be obligated to waive the same requirements in any other situation. Our waiver of any requirement is not considered a permanent waiver or waiver of any other requirement under these Terms and Conditions.
- We may assign any of Our rights or obligations under these Terms and Conditions without prior notice to You. You may not assign any of Your rights or obligations under these Terms and Conditions.
- The rights and responsibilities We have under these Terms and Conditions may be performed by the Program Administrator on Our behalf and at Our discretion.