

PenFed Premium Travel Rewards & Core Benefits

Program Rules, Terms and Conditions

1. **The Program.** PenFed Premium Travel Rewards is a rewards program (the “Program”) that allows you to earn points (the “Points”), as described in section 3 below, in connection with your PenFed Premium Travel Rewards American Express® Card issued by PenFed (the “Account”). The Program and webpage are maintained and hosted on behalf of PenFed by Meridian Enterprise Corporation. You can redeem Points as described in section 5 below. These Terms and Conditions tell you how the Program works.

In these Terms and Conditions, “you” and “your” mean the Cardmember(s). “We,” “our,” “ours,” and “us” mean PenFed (the issuer of your credit card) or its assignees. “Agents” mean any third party that we engage to provide services for the Program. Other capitalized terms not specifically defined have the same meaning as in your Cardholder Agreement. The Program is not available to the extent it is prohibited by federal, state, or local law.

2. **Eligibility.** You may participate in the Program while your Account is open and in good standing. However, you may not be eligible to redeem Points, except for a Fee Credit (described in section 5), while your Account is past due or over-the-limit.

3. **Earning Points.** You may earn Points when your Account is opened and you can continue to earn Points so long as your Account remains open. There is no limit to the number of Points you may earn. You will earn Points as follows:

Purchases

You will earn 5 Points per \$1 of Net New Purchases you make specifically with airlines. Bundled vacation packages purchased online, with travel agency or any other entity will not qualify for earning points at this level. You will earn 1 Point per \$1 of other Net New Purchases you make. You will earn 20,000 bonus points after making \$2,500 in purchases in the first three months of Cardmembership.

“Net New Purchases” mean purchases of goods or services you or any authorized user on your Account makes, minus any purchase returns, refunds, or credit adjustments. Net New Purchases do not include cash advances, balance transfers, or transactions involving convenience checks or access checks.

You will not earn points for interest or finance charges, late payment fees, annual fees, over-the-limit fees, or unauthorized charges. Points do not have a cash value, are non-transferable, and cannot be purchased or sold for cash. If you make purchases to earn Points, keep in mind the terms and conditions of your Cardholder Agreement.

4. **Statement of Points.** To access your most up to date point balance, visit the PenFed Premium Travel Rewards Web (the “Web site”) site by logging into your PenFed account at PenFed.org and clicking ‘Access my Rewards.’ Points earned for purchases will be credited at the end of the billing cycle in which you earned them. All other Points will be credited at the end of the billing cycle following the cycle in which you earned them. Points credited in a billing cycle will not be available for redemption until at least 2 business days after they are credited.

5. **Redeeming Points.** You may redeem your Points for products, services, or account benefits (the “Rewards”), as described in the enclosed brochure (the “Brochure”), in updates we may send from time to time, and on the Web site (the “Web site”). When you redeem Points for a Reward, we will subtract the number of Points required for the Reward from your Points balance. Shipping and handling costs are included in the reward redemption amount. Once calculated, redemption points are rounded down to the nearest 10. You receive the redemption value in place on the date you redeem points and not based on the date earned. A minimum point balance of 1,000 is required for redemptions.

You may redeem Points as follows:

Merchandise and Services. Merchandise may be redeemed ONLY with rewards points earned. All items are subject to availability. Merchandise Rewards and items sent by standard delivery can only be delivered to valid street addresses within the 48 contiguous United States and the District of Columbia. Shipping time estimates will be provided at the time of redemption. Extended area and Expedited shipping options may not be available.

Airline Travel Redemption. When redeeming your PenFed Premium Travel Rewards points for airline travel, the number of points required for redemption varies based on a combination of factors including itinerary (including class of service), date and time of travel, and dollar value of ticket. A \$15 Air Booking Fee will be charged on all online air bookings. Phone air bookings, will be charged a \$25 Air Booking Fee.

Gift Cards and Certificates. The terms and conditions applicable to gift card and gift certificate Rewards are provided by and vary by individual merchant and are subject to change without notice. Limitations such as expiration dates and dormancy fees may apply. The expiration and dormancy fee time frames are set forth in the Individual Merchant Terms and Conditions.

6. **Tax Liability and Fees.** You will be responsible for any federal, state, or local taxes resulting from your earning or redeeming Points. You will also be responsible for any fees or other charges due in connection with the redemption of Points.

7. **Expiration; Cancellation.** Points will expire 5 years after being awarded on a first-earned, first-spent basis unless you or we close your Account before then. If you close your Account or if we close it because you default on your Agreement, your Points will expire immediately. We may cancel your participation in the Program if you commit fraud or abuse your privileges in connection with the Program or the Account. If we do, your Points will expire immediately.

8. **Account Abuse/Misuse and Fraud.** We may begin an investigation if evidence of account abuse/misuse or fraud is seen. Some examples of abuse/misuse and fraud include:
- Using your Account in an abusive manner for the primary purpose of acquiring Points
 - Using your Account other than primarily for personal, consumer or household purposes
 - Point redemptions that you didn't authorize

The foregoing examples of abuse/misuse and fraud are not exhaustive, and we maintain the right to investigate in the event we become aware of any other suspicious activity on or pertaining to the account.

If we see evidence of misuse/abuse or fraudulent activity, we may investigate or take any other action we deem appropriate including, without limitation, removing the Points you earned through abuse/ misuse and/or fraud and suspending or closing your Account. If we determine that you perpetrated any account misuse/abuse or fraud, we may take actions against you. These actions may include, without limitation:

- Taking away the Points you earned through abuse/misuse and/or fraud
- Stopping you from earning Points
- Suspending or closing your Account
- Taking legal action to recover Points redeemed because of such activity and to recover our monetary losses, including litigation costs and damages

If you suspect fraud on your Account, please notify us immediately by calling 800-732-8268.

9. **Rewards Disclaimer.** The Agents provide administrative services for the Program. The Agents are independent contractors and are not affiliated with PenFed. PenFed and the Agents will not be liable for bodily harm and/or property damage that may result from participating in the Program, redeeming Points, or using Rewards. If any Reward is modified, defective, or otherwise unsatisfactory to you, you will look solely to the merchant or manufacturer of the Reward and not to PenFed or the Agents for any repair, refund, or satisfaction of your claim. PenFed is not responsible for any lost, stolen, or destroyed Rewards or expired Points.
10. **Fees for Participation.** There is no fee for your participation in the Program. However, there may be an annual fee for your Account; please refer to your Account Agreement.
11. **Program Changes.** PenFed reserves the right to make Program changes at any time without advanced written notice. Additionally, we will not be able to send you advance written notice of a change to the Program or a Reward if: (a) a Reward is unavailable to PenFed or (b) a merchant discontinues its participation in the Program.
12. **Program Termination.** In addition to section 7, we may terminate the Program with at least 45 days advance written notice. We may not be able to send you at least 45 days advance written notice if we are terminating the Program because any Agent's bankruptcy, insolvency or receivership, breach of its contract with us, or because of an act of God, act of war or insurrection, accident, fire, sabotage, labor dispute, computer malfunction, act of federal, state, or local government, judicial action, or other event beyond our, or the Agents' control. If the Program terminates for any of these reasons, you will have at least 90 days to redeem your earned Points.
13. **Assignment.** You may not transfer or assign your Program benefits or Points without our written agreement.
14. **Our Notices to You.** We will mail our notices to you at the address on your billing statement.
15. **To Contact Us.** To contact us about the Program, write to:
Pentagon Federal Credit Union P.O. Box 456
Alexandria, VA 22313-0456 or call: 1-800-732-8268

This Credit Card program is issued and administrated by PenFed.

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