

OPEN END PLAN

LINE OF CREDIT CONTRACT

THIS IS A CONTRACT – BE SURE TO READ IT. It spells out the terms and conditions of your Open End Line of Credit Plan with the Credit Union. It sets out your rights and duties as well as ours. This Plan is designed to accompany an Advance Voucher request. The Advance Voucher describes each individual advance and contains important information such as the Truth-in-Lending Disclosure and repayment terms. Together, this contract and the Advance Voucher describe your rights and responsibilities for each advance.

The wording has been kept as clear and simple as possible. Even so, you may have questions. If you do, *please call or write us*. In this contract, the word “you” refers to and includes, where appropriate, all persons who sign this contract. “We” or “us” refer to the Credit Union.

Name(s) of Borrower(s)	Address - Street	City	State	Zip
Borrower's Soc. Sec. No.	Share Account No.	Date	Note Number	

OPEN END PLAN - LINE OF CREDIT CONTRACT & SECURITY AGREEMENT

How You Ask For Advances Under This Contract

By signing this contract you are applying for an Open End Line of Credit Loan Plan. Your application must be approved before you can borrow under the Plan. We can only approve plans for provident and productive purposes. Once you have been approved, you can request advances under this contract in person or by telephone. Advances can also be requested by means of a check since the signature on the check is a signed request for an advance. If we have furnished you with an automated teller machine (ATM) card or Internet access, and you are authorized access by that means, your use of the card or Internet access and the personal identification number (PIN) assigned to you to get an advance under this contract from an ATM or via the Internet access is also your signature for purposes of getting an advance. You have been supplied with an Electronic Funds Transfer (EFT) Regulation E Disclosure and your signature below acknowledges receipt of a copy of that Disclosure.

When Advances Are Given

The total owing under this contract at any one time may not exceed the amount disclosed on an Advance Voucher. However, money can be borrowed under the contract in one or more advances from time to time. Generally, we will make advances to you under this contract if: (1) The total amount owing after the advance does not exceed your credit limit; (2) Any papers requesting the advance are filled out completely and correctly; and (3) You are up-to-date on all your loans with us. You also hereby authorize us to make an advance on this loan to cover any and all fees that you may incur by issuing non-sufficient funds, checks, or by depositing checks that are returned without payment for any reason, or for any misuse of your automated teller machine card which results in a loss to the credit union.

Nevertheless, we have the right to refuse any advance you may ask for or to cancel the contract if: (1) We decide that the credit rating or debt paying ability of anyone who signed this contract is no longer satisfactory; (2) You break any promises made in this contract; or (3) We decide there is other good cause. If this should occur, we will give you written notice by first class mail sent to your last address on our records. The notice is effective when mailed.

- A. Signature(s):** You authorize the use of electronic signatures, facsimile signatures and photocopies signatures for all purposes of authenticating this Contract. Such signatures will have the same force and effect as original signatures for all transactions, including applications and agreements under this Contract with the Credit Union.
- B. Prepayment:** You may prepay any or all of your loan balance owing at any time without penalty. However, unless you make other arrangements, a prepayment does not relieve you of making the next scheduled payment on your account. A partial payment will not automatically reduce the periodic payment unless the remaining balance is less than the scheduled payment; in that case, your last payment would be the remaining balance then owing. Payments must include any past due amount, amounts advanced to you over your credit limit, advances made to reimburse the Credit Union for expenses it incurs to protect or enforce its rights, late charges and insurance payments (if any). Any unpaid portion of late fees and **FINANCE CHARGE** will be paid from your next payment(s) submitted and before reduction of your principal balance owing. Your payments must be received by the Credit Union before close of our office on business days in order to be applied to your account on that day.
- C. Late Charges:** Fines or charges may be imposed for late payments on this loan up to the maximum shown in the “Truth-in-Lending Disclosure” on the Advance Voucher.
- D. Default:** You are in default if you fail to make a payment on this loan on time. You are also in default under this Note if: (a) you fail to make a payment on any of the “Obligations Secured” when it is due or you break any promise you make in any Advance Voucher or Security Agreement; (c) you become insolvent or a receiver is

appointed for your property or if court proceedings are started for liquidation of your debts; (d) a levy seizure, or attachment is made on any Collateral pledged as security; (e) any pledged Collateral is lost, stolen, destroyed, or substantially damaged; (f) you fail to acquire any pledged Collateral with the loan proceeds – if that was the purpose of the loan; (g) any oral or written statement by you or any third party to induce Credit Union to make this loan proves to have been false in any material regard when it was made; (h) if you die; or, (i) if you are in default under any other security agreement or real estate mortgage securing this loan with this Credit Union. In the event a legal action is filed to collect money owing to the credit union under this note, or any other instruments executed in connection herewith, the undersigned irrevocably agrees that venue for such suit shall lie in the Circuit or District Court for the City/Township of _____, _____ County, State of _____.

- E. Acceleration:** If you are in default, any part of this loan then unpaid and any other amounts you owe under the “Security Agreement” below (if applicable) or under any other security agreement or real estate mortgage securing this loan are due and payable in full without notice to you, unless applicable law provides otherwise, at Credit Union’s option. You agree to pay all usual and customary costs of collection including reasonable attorney fees and all taxable court costs permitted by law.
- F. No Waiver:** The Credit Union can delay enforcing any of its rights any number of times without losing its rights.
- G. Complete Note:** You authorize Credit Union to complete this Note in any necessary respect if it is executed while incomplete.

- H. Pledge of Savings:** As security for all amounts owing under this Note and under any security agreement and/or real estate mortgage securing this loan, you pledge all shares and/or deposits (including earnings and additions) you now or in the future have in this Credit Union, but only up to the total of such amounts unpaid from time to time. If you fail to make your payments when due, the Credit Union may accelerate the entire balance due and apply any or all of your shares or deposits at the Credit Union to either make any payments that are past due or pay the entire accelerated balance owing, plus interest and any late charges. This pledge does not apply to shares and/or deposits in an Individual Retirement Plan (IRA)/Keogh Plan. Regardless of this pledge, if payments on this loan are up-to-date, Borrower(s) can withdraw shares and/or deposits to the extent indicated on the Advance Voucher, if any.
- I. Cross-Collateral:** You also hereby pledge as collateral property securing other loans with the Credit Union for each Advance made under this agreement. In addition, any collateral pledged for this loan also secures other loans with this Credit Union including, but not limited to, credit card debts.
- J. Credit Union Rights:** The Credit Union can delay enforcing any of its rights under this agreement without losing them.
- K. Finance Charge:** A **FINANCE CHARGE** (interest) begins to accrue on the date of each advance. The **FINANCE CHARGE** applies to the entire balance owing at any given point in time. The **FINANCE CHARGE** is computed by taking the unpaid balance for each day since your last payment, or if you have not yet made a payment, from the date of your last advance, and multiplying that balance by the applicable daily periodic rate. The sum of these amounts constitutes the **FINANCE CHARGE**. The balance used to compute the **FINANCE CHARGE** is the unpaid balance each day after payments and credits have been subtracted and additions (new advances or other charges) have been added.
- L. Security Interest:** You give the Credit Union a security interest in the "Collateral" described on the Advance Voucher or any other security agreement document pertaining to this loan, if any. You also agree to the terms and conditions as set forth in any Advance Voucher security provisions. It also includes any money you receive from selling the property or from insurance you have on the property. If the value of the property declines, you promise to give us more collateral as security if asked to do so.
- M. Change of Plan Terms:** We have the right to change the terms of the Plan from time to time after giving you any advance notice required by law. A change that increases the rate of finance charge or other charge, that increases the amount of your payments, or that otherwise adversely affects existing balances will apply to existing

balances only if you agree to the change or if you use the Plan after receiving notice that your use of the Plan means you agree the change applies to existing balances.

- N. Termination of Agreement:** You or the Credit Union may terminate this agreement at any time, however, termination of this Agreement by either party will not relieve you from your repayment obligations owing under this Loan Program.
- O. Remedies:** While you are in default, Credit Union has the right to take possession of any Collateral wherever found, without court process if taking can be made without breach of the peace but otherwise by use of court process, and in the event of such a taking of possession, you and Credit Union have the rights and duties concerning the Collateral, and otherwise, provided by law or in your Security Agreement.
- P. Statements:** You will receive a periodic statement showing the transactions under this Loan Program for the period covered by the statement. Unless otherwise required by law, notice to any one of you will be considered notice to all. Your statement will be considered a correct statement sent to you by the Credit Union unless you notify us in writing within 60 days from the date of the statement that you believe there is an error on the statement.
- Q. Updated Information:** You agree to provide updated financial information to the Credit Union upon its request. The Credit Union may from time to time obtain information about you from credit reporting agencies or other sources. You must notify the Credit Union if you change your name, place of employment or if you have moved or obtained a new telephone number.
- R. Joint Accounts:** If more than one person signs the loan document(s) at the Credit Union, each person is fully liable to the Credit Union for any balance and fees owing on that loan. The Credit Union may elect to collect any unpaid balance and fees owing from any or each of the persons who may sign such loan document(s). Unless the Credit Union policy requires each signer to authorize each advance to you, each such person signing the loan document is fully liable for each advance even if he/she/they did not personally receive the advance requested.
- S. Collection Costs:** If this Contract is placed in the hands of an attorney for collection, or if it is collected through any legal proceedings at law or in equity or in bankruptcy, receivership or other court proceedings, borrower(s) and/or cosigners promise to pay all costs and expenses of collection including, but not limited to, court costs and the reasonable attorney's fees of the holder hereof.

YOU SIGN HERE		(EACH MEMBER WHO SIGNS BELOW ON LINE A OR B CAN BORROW UNDER THIS CONTRACT ON HIS OR HER SEPARATE SIGNATURE) (A PERSON WHO SIGNS ON LINE C CANNOT BORROW)					
A	X	SIGNATURES MEMBER				DATE SIGNED	ACCOUNT NUMBER
		MEMBER					
B	X						
C	X	CO-MAKER OR GUARANTOR					
A COPY OF THIS CONTRACT, ADVANCE VOUCHER AND TRUTH-IN-LENDING DISCLOSURE WAS		RECEIVED BY MEMBER	MEMBER'S INITIALS	DATE	MAILED	STAFF INITIALS	DATE

CREDIT UNION USE ONLY			
REVOLVING CREDIT CONTRACT <input type="checkbox"/> APPROVED <input type="checkbox"/> REJECTED	CO-MAKER OR GUARANTOR <input type="checkbox"/> REQUIRED <input type="checkbox"/> NOT REQUIRED	\$	SIGNATURE LIMIT
OTHER CONDITIONS (IF ANY)			
CREDIT COMMITTEE:			
X	X	X	
DATE OF ACTION		LOAN OFFICER	
		X	

YOUR BILLING RIGHTS
KEEP THIS NOTICE FOR FUTURE USE

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

NOTIFY US IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR BILL. If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address listed on your bill. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

- Your name and account number.
- The dollar amount of the suspected error.
- Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE: We must acknowledge your letter within 30 days, unless we have corrected the error by then. Within 90 days, we must either correct the error or explain why we believe the statement was correct.

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

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

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

If we don't follow these rules, we can't collect the first \$50.00 of the questioned amount, even if your statement was correct.