



invested in you

**KWIK- Personal Line of Credit Loan
Agreement & Disclosure**
Effective: October 12, 2016

(503) 227-5571 or 1-800-452-0900

This KWIK- Personal Line of Credit Agreement and Disclosure ("Agreement") governs your personal line of credit account ("Account") issued through Unitus Community Credit Union ("Credit Union"). In this Agreement, the words "you", "your" and "yours" mean all those who sign as applicants on the Loan Application, and the words "we", "us" and "our" mean the Credit Union. You agree, jointly and severally, to the following terms and conditions and all other loan documents shall collectively govern this Account.

1. Payment.

a) **Promise to Pay.** You promise to pay the Credit Union all loan advances, FINANCE CHARGES and other amounts described in this Agreement according to payment terms set forth below. This includes any loan advances requested for third party payments, or loan advances deposited to your or any co-applicant's Credit Union account. You agree to pay all loan advances requested by any co-applicant in the same manner as if you requested and received the loan payment yourself.

b) **Paying Loans.** You promise to pay the Credit Union all loan advances made under this Agreement by direct payment, payroll deduction or automatic transfer from shares. You may pay all or part of your loans at any time prior to the due date for payments, without paying any penalty. However, you shall continue your monthly payments so long as you owe the Credit Union any amounts under this Agreement. If you pay loan advances by automatic transfers, you understand funds sufficient to satisfy your loan payment must exist in your account on the specified loan payment due date or your loan payment will be past due. If you authorized payroll deduction, you grant the Credit Union permission to adjust your payroll deduction to cover the payment on the specified date or your loan will become past due. If you have authorized payroll deduction, you grant the Credit Union permission to adjust your payroll deduction up to the nearest one-dollar amount to satisfy all loan payments. After all your advances are paid, the Credit Union may deposit your payroll deduction to your shares, until you notify the Credit Union otherwise in writing. You must make your monthly payments in any event, including any time that the Credit Union does not receive your payroll deduction, whatever the reason.

c) **Minimum Payment.** You agree that you will pay not less than the Minimum Payment on or before the due date. Minimum Payments include all amounts past due, late charges, if applicable, and the Minimum Periodic Payment. The first loan payment is due on 25th day of month following date of first loan advance, with subsequent payments due monthly on the 25th day of each month until outstanding balance is paid in full. The minimum monthly payment is the Total New Balance on your statement if less than \$10.00, OR the greater of \$10.00 or 3% of Total New Balance, PLUS any prior monthly payment amounts which remain unpaid.

d) **Application of Payments.** Payments will be applied first to accrued FINANCE CHARGES, then to late charges, and the remainder, if any, to the principal loan balance, unless otherwise agreed or required by applicable law. Payments in excess of Minimum Payment will not relieve you or your obligation to make your subsequent Minimum Payments, rather they will reduce the principal amounts owing on your Account.

2. Account Access.

a) **Authorized Access.** You authorized any co-applicant, on his or her signature alone, to request or receive advances under this Agreement. We may honor a written request by any one of you to suspend further advances or cancel this Account.

b) **Limitations on Credit Advances.** You will receive a separate document showing the amount of the credit limit on your Account, which is the maximum amount you may draw upon without getting specific approval for additional loan advances. You agree not to attempt to obtain more credit than the amount of your credit limit. If you temporarily exceed your credit limit, you understand such credit does not increase your credit limit and agree to repay the excess immediately. We will notify you in writing on an advance form, on your statement, or by separate notice if the amount of your credit limit goes up or down. For line of credit accounts you may access credit on your Account, repay any portion of the amount borrowed and re-borrow any portion up to your credit limit from time to time without limitation. For all other loans you may access your Account once and you must repay the amount borrowed in accordance with the payment terms.

c) **Additional Access Devices.** You request any additional access device, transfer instrument, or other negotiable orders, which we may make available in the future. You understand that this request is voluntary, and you may decline the new services at the time the new services are offered to you. We will notify you by separate form of the terms that apply to these services.

d) **Overdraft Protection.** If you have requested and we have approved overdraft protection for you, you may access your line by writing drafts and overdrawing your share draft account with us. We will treat the overdraft as a request for a loan advance on your line of credit and we will allow such access subject to the terms of this Agreement. Loan Overdraft Advances will be made in minimum amounts of \$50.00 and will be transferred to your share draft account. You agree not to let the overdrawn balance exceed your approved credit limit. If you fail to meet any conditions of your Share Draft Agreement we may cancel your overdraft protection access immediately without notice to you. You understand that any owner on your Share Draft Account may obligate you to overdraft advances.

e) **Cancellation of Account.** Any account holder or the Credit Union may cancel a line of credit or future loan on this Account for any reason by notice to the other. You understand that a cancellation will not affect your obligations on any outstanding loan balances at the time of cancellation.

f) **Suspension of Account.** Your ability to draw upon the line of credit or request additional loans may be suspended immediately if any of the following happen: (1) You are in default under this Agreement or any other agreement you have with the Credit Union; (2) any evaluation of your credit now or later indicates adverse information; (3) you or any account holder requests in writing a suspension of the Account; (4) anytime the Credit Union reasonably determines that the value of the security has substantially declined; or (5) the Credit Union reasonably deems itself unsecured in regard to the Account. The Credit Union will notify you in writing of any such actions.

3. Account Default. You will be in default under this Agreement if any of the following happen on your Account:

- Any payment is not paid when due;
- Someone tries to levy, execute upon, or attach any property securing this Agreement (including any share or other accounts at the Credit Union, but excluding property);
- You become insolvent, bankrupt, or die;
- You violate any terms of this Agreement, or any security agreement securing your loans from the Credit Union, or any other agreement you have with the Credit Union;
- You make any untrue statements or omissions on any application of financial statement furnished to the Credit Union;
- Anytime the Credit Union reasonably determines that the value of the security has substantially declined.

Upon default and thereafter, the Credit Union may declare the entire unpaid balance of all your loans under this Account immediately due and payable, and you agree to pay that amount. You consent to jurisdiction in the county in which the Credit Union is located, or in which you signed the Agreement, or in which you reside, in the Credit Union's sole discretion.

4. Security Agreement.

- Security.** You grant the Credit Union a security interest in all of your shares and deposits with the Credit Union. All collateral securing one loan will secure all your other obligations (except those secured by real property) to the Credit Union, including all existing and future loans.
- Credit Union Lien.** You agree the Credit Union has a lien on all your shares and dividends, present and future, to the extent of your obligations to the Credit Union. You agree the Credit Union's lien is independent of any security agreement and the Credit Union may enforce its lien in any manner, at any time allowed by applicable law.

5. INTEREST CHARGES.

- When Interest Accrues.** You will pay interest calculated on the daily unpaid balance of all advances under this Account and any loan fee applicable to your Account. The interest will begin to accrue as of the date each loan advance is made. When advances are added to your existing loans, the interest is computed on the principal balance from the date of the last payment to the date of the new advance, then on the total outstanding principal balance to the date of payment at the prevailing rate at the time of each advance.
- How to Determine Interest.** Interest is computed by multiplying the unpaid principal balance of your loans by a Periodic Rate, and multiplying the result by the number of days since your last loan payment. The unpaid principal balance is the amount of the loan outstanding, which remains unpaid at the close of business each day after all transactions for the day have been entered. Your loan payments and the Credit Union's loan advances are entered when made. Advances may be directly deposited to one of your deposit accounts and will be subject to interest charges from the date of deposit even if you do not withdraw the money immediately.

6. Periodic Rate and Corresponding Annual Percentage Rate. The Periodic Rate and corresponding Annual Percentage Rate for variable rate loans is calculated by adding or subtracting a margin to the U.S. Prime Rate published in The Wall Street Journal (Western Edition) on the third (3rd) Tuesday of March, June, September, and December of each calendar year. If the third (3rd) Tuesday is a holiday, we will use the Prime Rate published the next day. If more than one Prime Rate is published we may choose the highest rate. If The Wall Street Journal (Western Edition) ceases publication or ceases to publish the Prime Rate, we reserve the right to use the Prime Rate published in any other newspaper of general circulation, or we may substitute a similar reference at our sole discretion. As described above, the Annual Percentage Rate may vary each quarter. The Credit Union adds or subtracts a margin to the index depending upon the type of loan as shown in the Loan Rate Schedule. The total of the index, plus the amount that we add is the Annual Percentage Rate. The Annual Percentage Rate is divided by 365 to produce the daily Periodic Rate. Any increase or decrease in a variable Annual Percentage Rate will be adjusted the first day of the billing period directly following the month in which we calculate the rate. The Credit Union has established minimum and maximum Annual Percentage Rates for different loan types as shown in the Loan Rate Schedule. Any increase or decrease in the Annual Percentage Rate will

affect the number of monthly payments you will make under the Account. However, if the amount of the payment is not enough to pay at least the accrued interest and insurance premiums, if applicable, we will increase your monthly payment in an amount sufficient to pay off the loan balance under the original payment schedule. The Line of Credit Account Disclosure will disclose the initial Periodic Rate and Annual Percentage Rate for your Account.

7. Other Costs and Charges. We may impose fees and charges on your Account as set forth below and on the Unitus Fee Schedule, available on our website at unitusccu.com. We reserve the right to assess other fees in the future. You will be notified of any new fees as required by law.

- a) **Closing Costs.** You agree to pay all the other fees and charges related to this Account as set forth on the Loan Advance Voucher or other loan documents at the time of each advance, including any applicable fees and charges such as filing fees and any other out-of-pocket expenses.
- b) **Late Charges.** If a payment is past due for a period of 10 or more days (5 or more days for Advance Loans), you agree to pay a late charge in the amount of 5% of the payment amount with a minimum late charge of \$20.

8. Amendments. You agree the Credit Union may change any part of this Agreement, including all terms and conditions and Annual Percentage Rate, to the extent permitted by applicable law. Any notice of change in terms required by law will be sent to your address of record which is as shown on the application, unless you notify the Credit Union in writing of your change in address within a reasonable time prior to the notice being sent.

9. Delay in Enforcement. The Credit Union can delay enforcing any right under this Agreement without losing that right or any other right.

10. Notices. All notices will be sent to your address as shown in the application. You agree to advise us promptly if you change your mailing address.

11. Credit Information/Financial Statements. You authorize us to release information to others (e.g. credit bureaus, merchants, and other financial institutions) regarding the status and history of your Account. You agree to provide us upon request at any time with a current financial statement, updated credit information, or new appraisal on the collateral at our sole discretion and expense.

12. Governing Law. This Agreement shall become effective only upon the Credit Union approval, and shall be governed exclusively by Oregon State Law.

13. Acknowledgment and Agreement. You understand and agree to the terms of this Agreement. You acknowledge that you have read this Agreement and the Loan Application and the Fair Credit Billing Notice provided to you. You also understand that all Loan Advance Vouchers are part of this Agreement with the Credit Union, and that by accepting loan advances in the future you will be agreeing to the terms set forth on the Loan Advance Voucher which is integrated as part of this Agreement.

14. SPECIAL MILITARY LENDING ACT DISCLOSURES AND TERMS:

The following provisions apply only to a line of credit that is issued to a member of the Armed Forces currently serving on active duty (under a call or order not less than 30 days), Active Guard or Reserve duty or to a dependent of such a person.

Credit Union Toll Free Telephone Number: 800-452-0900. Call this number for verbal information about the Military Annual Percentage Rate and your payment obligation.

- a) **Military Annual Percentage Rate.** Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36%. This rate must include, as applicable to the credit transaction or account: the costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for a credit card account); and any participation fee charged (other than certain participation fees for a credit card account).
- b) **Payment Obligation.** Your payment obligation for your Line of Credit Account is set forth in Section 1.c. of Personal Line of Credit Loan Agreement & Disclosure.
- c) **Additional Loan Terms.** Section 4 (Security Agreement) of the Personal Line of Credit Loan Agreement & Disclosures is deleted and will not apply to your line of credit if you are an active duty armed forces member or dependent as described above.