

EASY LINE LOAN AGREEMENT

You are a member of this Credit Union and you are employed with the employer named on the Easy/Line Application.

As a member of the Credit Union, which is a thrift institution chartered for the benefit of the Credit Union's members, you contemplate that you will have repeated transactions with the Credit Union. You wish to establish an ongoing loan relationship with the Credit Union, under the terms of which the Credit Union may permit you, from time to time, to obtain loans from the Credit Union. This arrangement will be one under which you may pay the balance in full at any time without any penalty, and under the terms of which your **FINANCE CHARGE** will be computed by the Credit Union on your outstanding unpaid balance. The Credit Union anticipates making credit available to you under this Agreement on an ongoing basis, and therefore this arrangement will apply not only to any line of credit with the Credit Union, but also to optional advances that the Credit Union may approve from time to time in the future.

The Easy Line Loan Agreement and Disclosure ("Agreement") governs your loan accounts with United Advantage NW Federal Credit Union. In this Agreement the terms "you" and "your" means each person who signs this Agreement as a borrower or owner of collateral, as applicable, the term "Credit Union" means United Advantage NW Federal Credit Union, and the term "account" means any one or more loan accounts established under this Agreement.

The operation of and terms applicable to your consumer, open-end loan account will be governed by (i) this Agreement and Disclosure; (ii) Loan Advance vouchers provided with future loan advance; (iii) loan proceeds checks; and (iv) power of attorney, if applicable, which are incorporated in and integrated as parts of this Agreement. No oral statement by any Credit Union officer or employee is included in this Agreement, which may be modified only in writing. If more than one person signs the Agreement, your obligations under the application, are joint and several.

1. Credit Limit. The Credit Union will set your credit limit, which is the maximum amount of money you may have outstanding under this Agreement at any time without obtaining further approval from the Credit Union for a particular loan advance. The Credit Union may lower your credit limit at any time.

2. Making Loans. The Credit Union will loan you money in the following ways:

a. If you have a share draft account and you write a share draft for more money than you have in the account, the Credit Union may treat this as a request for a loan. The Credit Union may then deposit money in your share draft account, so long as you are not over your credit limit, in increments of \$100.00.

b. You may request loan advances from the Credit Union. If the advances would result in a loan balance greater than your credit limit, you will apply separately for that advance. The Credit Union will evaluate such a request when you apply. If you request an advance and the Credit Union makes the loan, it will be made under the terms of this Agreement and you agree to repay it in accordance with this Agreement. You know that the Credit Union is not obligated to make advances beyond your credit limit. Each advance will be at least \$100.00. The Credit Union will increase your loan balance as of the date the Credit Union mails or otherwise delivers the Credit Union's check to you, deposits money in your account at the Credit Union, or pays someone else on your behalf. The Credit Union can rely on your endorsement of the Credit Union's check or upon Credit Union records of deposit to your account to show you received each advance.

3. Repaying the Loans. You will repay your loans, including both the amount loaned and the **FINANCE CHARGE**. You may repay them in full at any time without penalty. You may pay over time, but you will then pay at least the Minimum Payment each payment period. You will pay either directly or by payroll deduction, if it is available, and you will give the Credit Union a written notice if you decide to change your payment method.

The Credit Union will credit your payments first to any collection costs, second to any insurance premium you owe, third to **FINANCE CHARGE**, and fourth to the principal of your loans. Any late fees are charged in addition to your scheduled monthly payments.

The Credit Union will send you a summary of your account at least quarterly, showing your loan balance, payments, advances, and **FINANCE CHARGE**.

4. Minimum Payments. You will pay at least the Minimum Payment each month. The Credit Union will set your Minimum Payment, and the Credit Union will notify you at the time of each advance of any change in your Minimum Payment. By accepting the advance, you also will be agreeing to the Minimum Payment schedule. Until notified differently by the Credit Union, your Minimum Payment will be based on the loan amount outstanding as of the time of each loan advance as shown on the rate schedule.

The Minimum Payment will be the same each payment period until there is a new loan advance or all loan amounts are paid in full.

5. Security.

a. You grant the Credit Union a security interest in all of your Credit Union shares, whether now owned or acquired later, and whether solely in your name or in a joint account. The Credit Union may, at the Credit Union's option, hold shares to the extent of your loan balance, and the Credit Union may apply your shares to any obligations that are past due.

b. To secure all of the obligations under the "Easy Line" Loan Agreement, you and any person(s) signing an Easy Line Agreement Loan Advance grant(s) the Credit Union a security interest under the Oregon Uniform Commercial Code in all Property set forth on any Easy Line Agreement Loan Advance, or purchased with the proceeds of loans under the Agreement. This includes Property purchased later and accessions (for example, tires or batteries attached to a

car) whether added now or later. If the Credit Union takes security in personal property, the Credit Union may charge you the cost of perfecting the Credit Union's security interest, such as filing fees.

Except for this Security Agreement, you own the Property free and clear. You will not allow any other liens on the Property, even if they are junior to the Credit Union's lien. Except for vehicles, you agree to keep the Property at your home unless the Credit Union tells you, you can move it. If the Property is a vehicle, you will keep it at your present address, except for routine use, and you will not do anything that requires registering the vehicle in another state. If you move, you agree to notify the Credit Union in advance of your new address prior to your move. You may not move the Property outside the state in which you resided when you received the loan advance or cause any vehicle to be registered in a state except the state in which you resided when you received the loan advance, without prior written consent of the Credit Union.

You agree to keep the Property in good repair and not to sell it or otherwise dispose of it. You will keep the Property insured with casualty and fire insurance, and if the Property constitutes a vehicle with collision and liability insurance, all shall be satisfactory to the Credit Union. You will provide the Credit Union with proof of that coverage from an insurance company of your choice that is acceptable to us. You also will name the Credit Union as the loss payee. If you fail to pay other liens, buy insurance, or make repairs to the Property, the Credit Union may do so. The Credit Union may then add what it pays to the amount you owe under the Agreement. The added amounts will then bear interest at the rate charged under the Agreement. This Security Agreement also secures those amounts.

You may keep and use the Property while the Agreement is not in default. If you are in default under the Agreement, the Credit Union will have all of the rights of a secured party under the Oregon Uniform Commercial Code, in addition to any other rights the Credit Union may have. You will assemble the Property and make it available to the Credit Union, if the Credit Union requests you to do so. The Credit Union may take the Property peaceably, and sell it. The Credit Union will apply the "net proceeds" of the sale to reduce the amount you owe. "Net proceeds" means the sale price less the expenses of repossessing, selling, attorney fees, and other legal expenses. If you also have agreed to pay the Agreement, you know that, to the extent permitted by law, you will owe the Credit Union any difference between the amount due under the Agreement and the new proceeds. If you are entitled to any notice by law, you agree that 15 days prior notice is enough. Unless you ask the Credit Union in writing to give you notice at a different address, that notice sent to you at the address filled in on the Easy Line Application will be sufficient. If the Credit Union receives a refund of credit insurance premium, you agree that the refund is secured by this Agreement, and the Credit Union may apply the refund to any amounts you owe.

You will pay any amount the Credit Union pays to someone else to help collect this Agreement, including the costs of using a collection agency or repossessing the collateral, and including the Credit Union's internal costs for collection efforts. This also includes the Credit Union's attorney fees whether or not there is a lawsuit, including fees on any appeal and including bankruptcy proceedings you also will pay court costs. This Security Agreement also secures all of these amounts.

You will sign any other documents, such as financing statements and certificate(s) of title, to perfect or protect the Credit Union's security interest. To expedite the release or transfer of your interest in any motor vehicle in which you have granted the Credit Union a security interest and to which the Credit Union holds the certificate(s) of title, you hereby give the Credit Union power of attorney to sign your name to such certificate(s) and to apply in your name for issuance of a certificate of title to any motor vehicle in which you become owner. The Credit Union will sign any other documents (such as financing statements and certificate(s) of title) to perfect the Credit Union's security interest and the Credit Union may file a copy of this Security Agreement as a financing statement.

c. The Credit Union, may at its option, require additional security as a condition for a particular advance. The security interest will be under the terms of the Security Agreement printed in paragraph b above.

6. Default and Default Charges. You will be in default if any of the following happen:

- You fail to make any payment when due.
- You break any promise you have made to the Credit Union in this or any loan agreement with the Credit Union.
- Any other creditor tries to take any property in which the Credit Union has a lien or a security interest. This includes a garnishment of your Credit Union shares.
- You become insolvent, bankrupt (including Chapter 13 bankruptcies), or die.
- You fail to take any action necessary to protect our security interest.
- You fail to maintain insurance.
- The Credit Union in Good Faith deems itself insecure.

The Credit Union may do any of the following if you are in default:

- If you are more than 15 days late, the Credit Union may charge you up to **20%** of your accrued **FINANCE CHARGE** as a late charge, with a minimum late charge of \$15.00, not to exceed \$350.00.
- The Credit Union may declare your entire loan balance immediately due, without notice. The Credit Union may also do so if, for any reason, you are no longer employed by the employer as specified on your loan application. You will then pay the Credit Union the unpaid part of the loan balance, any **FINANCE CHARGE** that is accrued but unpaid, and

any collection costs.

c. The Credit Union may pay someone else to help collect your loan if you do not pay. You also will pay the Credit Union that amount. This includes the Credit Union's attorney fees whether or not there is a lawsuit, including any fees in any bankruptcy proceeding, or any appeal. You also will pay any court costs.

d. If your consumer loan account is 40 days late or more we may have the rate increased to 18% **ANNUAL PERCENTAGE RATE** for as long as you are in default or six (6) months, whichever is longer. This includes Visa Credit. The account may be reviewed in six (6) months at the request of the member. If payments have been made on time, during the six (6) months review, the **ANNUAL PERCENTAGE RATE** may return to its original **ANNUAL PERCENTAGE RATE** or its original variable rate terms.

The Credit Union may delay enforcing any of its rights under this loan without losing them. The Credit Union's failure to enforce its rights if you are in default does not waive any of the Credit Union's rights with respect to any other time or way you are in default.

e. We may report information about your loan and deposit accounts to credit bureaus. Late payments, missed payments, or other defaults on your accounts may be reflected in your credit report.

7. Joint Applicants. If more than one person signs this Agreement you are jointly and severally liable. This means each of you is liable for all amounts due under this Agreement and you are also liable for these amounts, together with collection costs and attorney's fees, although the Credit Union cannot recover more than is due.

8. Change in Terms. Subject to any limits set by applicable law, the Credit Union may change any terms of this agreement upon 15 days prior notice, including the Periodic Rate and **ANNUAL PERCENTAGE RATE**. This includes increasing or decreasing the Periodic Rate and the **ANNUAL PERCENTAGE RATE** on outstanding balances. The Credit Union will send you written notice of the change before the change will take effect.

9. Closing the Account. Either you or the Credit Union may close this loan account at any time by notifying the other in writing. If the account is closed, it will not affect your obligations on loans already made.

10. Governing Law. This Agreement will not take affect until it is approved by the Credit Union in the State of Oregon. All payments shall be made to the Credit Union at the Credit Union's offices within the State of Oregon. This Agreement shall be governed by the laws of the State of Oregon.

11. Calculating the FINANCE CHARGE. The **FINANCE CHARGE** based on your unpaid principal balance is computed by multiplying the balance by a Periodic Rate and multiplying the number of days since the last payment or credit. The unpaid principal balance is the outstanding account balance which remains after all transactions have been posted at the close of each business day. The Periodic Rate, corresponding **ANNUAL PERCENTAGE RATE**, and any loan fee (**FINANCE CHARGE**) if applicable, will be set at the time of each loan advance. The Periodic Rate for your loan depends on the type of loan. The Periodic Rate is listed on the rate schedule. The Credit Union may change the rates it offers from time to time. Your loan advances will start to accrue **FINANCE CHARGE** as of the date the advance is made. Payments reduce your loan balance as of the date the Credit Union receives the money. The **ANNUAL PERCENTAGE RATE** is divided by 365 to produce the Daily Periodic Rate.

12. Other Fees and Charges. You also agree to pay the fees and costs related to this account as set forth on the Advance Voucher provided with each advance. The account fees and costs include any application fee, filing and recording fee, or title transfer fee.

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 statement that are not in question. If we find that we made a mistake on your statement, you will not have to pay any **FINANCE CHARGES** 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.

SPECIAL RULE FOR CREDIT CARD PURCHASES:

If you have a problem with the quality of the property or services that you purchased with a 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 property or services.

There are two limitations on this right:

(a) You must have made the purchase in your home state, or, if not within your home state, within 100 miles of your current mailing address; and

(b) The purchase price must have been more than **\$50.00**.

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

EASY LINE AGREEMENT - 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 STATEMENT. If you think your statement is wrong, or if you need more information about a transaction on your statement, write us on a separate sheet at the address listed on your statement. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement 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.

If you have authorized us to pay your loan account or credit card bill automatically from your savings or share draft account, you can stop the payment on any amount you think is wrong. To stop payment your letter must reach us three business days before the automatic payment is scheduled to occur.

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 bill you for the amount you question, including **FINANCE CHARGES**, and we can apply any