





# LOAN ACCOUNT APPLICATION

## HOW CAN WE EXPEDITE YOUR LOAN REQUEST?

1. TO AVOID ANY UNNECESSARY DELAYS IN PROCESSING YOUR LOAN REQUEST, DO NOT LEAVE ANY SPACES BLANK. IF A SPACE DOES NOT APPLY, SIMPLY WRITE IN N/A.
2. ALL INCOME MUST BE VERIFIABLE ACCEPTABLE PROOF OF INCOME: MOST RECENT CHECK STUBS ISSUED OR IF SELF EMPLOYED, OR ON COMISSION/TIPS, PREVIOUS YEAR'S SIGNED COPY OF FEDERAL TAX RETURN.
3. ALL EMPLOYMENT WILL BE SUBJECT TO VERIFICATION.
4. IF FAXING YOUR LOAN APPLICATION, PLEASE FAX PAY STUB AND/OR PROOF OF INCOME. ALL FAXED APPLICATIONS MUST BE FOLLOWED UP WITH THE ORIGINALS. FAX (213) 365-7519.

### FIRST RATE LOANS

FEW Federal Credit Union offers an excellent variety of first rate loan products.

### VEHICLE LOANS

Finance up to 100% of the purchase price on both new and used vehicle loans with terms up to 6 years.

### VISA CLASSIC

An additional benefit of Credit Union membership is enjoying the worldwide acceptance of a VISA Credit Card. The FEWFUCU VISA has a competitive annual percentage rate, a grace period to pay purchases, LOW ANNUAL FEE and NO FEE for cash advances.

### LOANS (OTHER)

The Credit Union offers numerous types of loans for many different purposes. Members are eligible to apply for any type of loan that is available. Listed are some of the loan products available from the Credit Union

- Share Secured
- Certificate Secured
- Unsecured: Personal Signature Loans and Line-of-Credit

Terms and conditions can be suited to everyone's needs. Our automatic loan payment program either by a debit from your Share Account or by payroll deduction, takes the worry out of forgetting to make your monthly payments.

**You must return Sheets 1 and 2 to the Credit Union.**

## AGREEMENT

"You" and "Your" mean each and all of the applicants signing on Sheet 1.

1. You certify the accuracy of the information given in this application and you will notify the Credit Union in writing immediately if there is any change in your financial condition. It is a violation of Section 1014, Title 18, U.S. Code, to make a false statement or overvalue security for the purpose of influencing the action of any federally insured Credit Union.
2. You authorize the Credit Union to gather whatever credit, employment information, tax returns and related information from the Internal Revenue Service that the Credit Union considers appropriate from time to time (you understand that this will assist, for example, in determining your eligibility for renewal of credit and additional extensions of credit). You authorize the Credit Union to give information concerning your credit experience with us to others. You understand and agree that the Credit Union may retain this application and any other credit information the Credit Union may receive and that you waive your right to confidentiality of your records with the California Department of Motor Vehicles (DMV) and authorize the Credit Union to obtain such information from the DMV.
3. You agree that by signing on Sheet 1 or by using or authorizing another to use the Account, you will be bound by the terms and conditions of the applicable Federal Employees West Federal Credit Union Truth-in-Lending Disclosure Statement entitled A) Members Disclosure Statement, Open-End Loan and Security Agreement with attachment Schedule A and/or, B) VISA Card Agreement and Disclosure (which will be given to you if your application is approved and before the first transaction is made).

## ACKNOWLEDGEMENT OF PLEDGE OF SHARES FOR VISA APPLICANTS ONLY

BY REQUESTING AND RECEIVING, SIGNING AND USING, OR PERMITTING OTHERS TO USE A VISA ISSUED TO YOU BY FEDERAL EMPLOYEES WEST FEDERAL CREDIT UNION, YOU AGREE AS CARDHOLDER, TO THE TERMS OF THE VISA CARD AGREEMENT AND DISCLOSURE, AND YOU FURTHER ACKNOWLEDGE AND AGREE THAT THE VISA CARD AGREEMENT AND DISCLOSURE CONTAINS THE FOLLOWING PROVISION:

SECURITY INTEREST - PLEDGE OF SHARES: Borrower hereby pledges all paid shares and payment on shares, which Borrower now has or hereafter may have in this Credit Union as security for loans, interest, late charges cost or expenses. In the event of default in payment, Borrower hereby authorizes the Treasurer of the Credit Union to apply said shares to the payment of said loans, interest, late charges, or expenses. The foregoing pledge of shares does not apply to any shares held in any Individual Retirement Account.

THIS MEANS THAT IF YOU ARE IN DEFAULT UNDER THE TERMS OF THE VISA PROGRAM, WE MAY EXERCISE OUR RIGHTS AS A SECURED PARTY TO APPLY ANY FUNDS YOU HAVE ON DEPOSIT WITH US TO SATISFY YOUR INDEBTEDNESS.

NOTICE: This acknowledgement must be signed by you and returned to the Credit Union.

X \_\_\_\_\_  
MEMBER'S SIGNATURE DATE

X \_\_\_\_\_  
SPOUSE/CO-APPLICANT'S SIGNATURE (IF APPLICABLE) DATE

## IMPORTANT VISA DISCLOSURE INFORMATION

Annual Percentage Rate for Purchases	13.9%	Annual Fees	\$10.00
Annual Percentage Rate for Cash Advances	13.9%	Minimum Finance Charge	There is no minimum finance charge.
Variable Rate Information	Your annual percentage rate does not vary	Transaction Fee for Purchases	There are no transaction fees for purchases.
Grace Period for Repayment of Balances for Purchases	You have 25 days from the end of the statement period to repay your balance for purchases before a finance charge on purchases will be imposed.	Transaction Fee for Cash, Cash Advances, and Fee for Paying Late or Exceeding the Credit Line	Transaction fee for cash advances: None Late Payment Fee: None Over-the-credit-limit Fee: None
Method of Computing the Balance for Purchases	Average daily balance method (including current transactions).		

The information about the costs of the credit card described in this Application and the above Disclosure are accurate as of 7-1-01. This information may have changed after that date. To find out what may have changed call us at (213) 365-7505 or write to us at P.O. Box 17307, Los Angeles, CA 90017.

**IMPORTANT: ATTACH 2 COPIES OF PAYSTUBS FOR EACH APPLICANT HERE**

**GUARANTEE TRUST LIFE INSURANCE COMPANY**

OPEN-END

1275 Milwaukee Avenue  
Glenview, Illinois 60025

(HEREIN called the Company, we or us)

**FEDERAL EMPLOYEES WEST FEDERAL CREDIT UNION**

Account No. \_\_\_\_\_

Primary Borrower, called you \_\_\_\_\_

Co-Borrower, also called you \_\_\_\_\_

Address \_\_\_\_\_

City, State, Zip \_\_\_\_\_

**CREDIT INSURANCE APPLICATION**

Premium Rate Per \$100 of Loan Balance

Credit Disability Insurance: **\$0.267** Single Credit Life Insurance: **\$0.065** Joint Credit Life Insurance: **\$0.097**

**I VOLUNTARILY SELECT THIS INSURANCE AND I UNDERSTAND THAT CREDIT INSURANCE IS NOT REQUIRED AS A CONDITION FOR CREDIT. I MAY OBTAIN THIS COVERAGE FROM ANY INSURER OF MY CHOICE.**

I WANT CREDIT DISABILITY INSURANCE.

I WANT SINGLE CREDIT LIFE INSURANCE.

I WANT JOINT CREDIT LIFE INSURANCE.

I WANT SINGLE CREDIT LIFE AND DISABILITY INSURANCE.

I WANT JOINT CREDIT LIFE AND DISABILITY INSURANCE (Co-Borrower not eligible for Disability Insurance).

I DO NOT WANT CREDIT INSURANCE ON THE ACCOUNT.

To compute your insurance cost for any month, multiply the outstanding loan balance at the end of that month by the applicable premium rate. For example, If your loan balance at the end of a given month is \$2000, and the applicable rate is \$0.055, your monthly premium will be \$1.10

**20 (Units of \$100) x \$0.065 = \$1.30**

**APPLICATION OF BORROWER**

You are applying for the credit insurance marked above, and agree to pay the premium. If the question(s) below is (are) answered "Yes", or you do not meet all of the eligibility requirements, then you are not eligible for insurance.

**ANSWER THIS QUESTION IF APPLYING FOR CREDIT INSURANCE:**

Within the past two years have you had treatment or been advised to have treatment for any of the following: cancer, tumor, diabetes (insulin dependent), acquired immune deficiency syndrome (AIDS), AIDS related complex (ARC), or disease of the heart, liver, kidneys, or lungs?

**PRIMARY BORROWER**

YES       NO

**CO-BORROWER**

YES       NO

**ANSWER THIS ADDITIONAL QUESTION IF APPLYING FOR DISABILITY INSURANCE:**

Within the past two years have you (Primary Borrower only) had treatment or been advised to have treatment for any of the following: mental or nervous disorders, strained back, slipped disc, or sciatica?

**PRIMARY BORROWER**

YES       NO

Your signature below means you agree that:

1. You have read the question(s) and answer(s) above and it is (they are) correct and complete, to the best of your knowledge and belief.
2. You are not eligible for insurance if you have reached your 65th birthday.
3. You are eligible for disability insurance only if you are working for wages or profit 30 hours a week or more on the Effective Date.
4. Only the Primary Borrower is eligible for disability insurance.

**DISABILITY INSURANCE MAY NOT COVER CONDITIONS FOR WHICH YOU HAVE SEEN A DOCTOR OR CHIROPRACTOR IN THE LAST SIX MONTHS. (Refer to "Total Disabilities Not Covered" in your Certificate of Insurance for details).**

\_\_\_\_\_  
SIGNATURE OF PRIMARY BORROWER      AGE      DATE      SIGNATURE OF CO-BORROWER      AGE      DATE

I hereby certify that the above named borrower(s), in my presence, read or was asked the question(s) on this application and then personally answered it (them) as recorded herein. I have no information or knowledge about this borrower(s) health in addition to the answer(s) given above.

\_\_\_\_\_  
SIGNATURE OF WITNESS OR LICENSED AGENT      DATE      PRINTED NAME OF WITNESS OR LICENSED AGENT

## **CREDITOR'S CLAIM PROCEDURE**

If you become disabled, tell us (your Creditor) right away. We will tell you where to get claim forms. Send in the completed form to the insurance company as soon as possible and tell us as soon as you do.

If your disability insurance covers all of your missed payment, WE CANNOT TRY TO COLLECT WHAT YOU OWE OR FORECLOSE UPON OR REPOSSESS ANY COLLATERAL UNTIL THREE CALENDAR MONTHS AFTER your first missed payment is due or until the insurance company pays or rejects your claim, whichever comes first. We can, however, try to collect, foreclose, or repossess if you have money due and owing us or are otherwise in default when your disability claim is made or if a senior mortgage or lien holder is foreclosing.

If the insurance company pays the claim within the three calendar months, we must accept the money as though you paid on time. If the insurance company rejects the claim within three calendar months or accepts the claim within the three calendar months as a partial disability and pays less than for a total disability, you will have 35 days from the date that the rejection or the acceptance of the partial disability claim is sent to pay past due payments, or the difference between past due payments and what the insurance company pays for the partial disability, plus late charges. You can contact us, and we will tell you how much you owe. After that time, we can take action to collect or foreclose or repossess any collateral you may have given.

If the insurance company accepts your claim but requires that you send in additional forms to remain eligible for continued payments, you should send in these completed additional forms no later than required. If you do not send in these forms on time, the insurance company may stop paying, and we will then be able to take action to collect or foreclose or repossess any collateral you may have given.



FEDERAL EMPLOYEES WEST FEDERAL CREDIT UNION  
 P.O. Box 17307 • Los Angeles, CA 90017  
 (213) 365-7505

**THIS SHEET MUST BE SIGNED AT  
 BOTTOM AND RETURNED  
 TO THE CREDIT UNION.**

**OPEN-END LOAN ACCOUNT**

**NOTE: ALL ADVANCES ARE SUBJECT TO CREDIT UNION REVIEW AND WILL BE GOVERNED BY YOUR CREDIT WORTHINESS AND CREDIT UNION POLICIES IN EFFECT AT THE TIME OF THE ADVANCE REQUEST.**

THE DISCLOSURES SET FORTH HERE AND ON THE REVERSE DO NOT APPLY TO THE VISA CREDIT CARD PROGRAM.

INSTRUCTIONS
1. REMOVE ATTACHMENT "SCHEDULE A". REVIEW ALL DISCLOSURES ON SHEETS 1 AND 2. PLEASE READ THIS SHEET CAREFULLY. IF YOU HAVE ANY QUESTIONS CALL THE CREDIT UNION.
2. SIGN THE FACE OF SHEET 1 WHERE INDICATED AND INITIAL SHEET 2.
3. RETURN SHEET 1 AND SHEET 2 TO THE CREDIT UNION.

**MEMBER'S DISCLOSURE STATEMENT**

"I" and "MY" refer to the Borrower(s) and "YOU" and "YOUR" means the Credit Union in this Disclosure Statement.

**FINANCE CHARGES**

HOW TO COMPUTE THE FINANCE CHARGE: The unpaid principal balance for each day is multiplied by the daily periodic rate to determine the FINANCE CHARGE for that day. The sum of these daily charges is the FINANCE CHARGE I will pay. The unpaid principal balance is that balance which is in my account at the close of business after all transactions, including payments and new borrowings, have been entered. FINANCE CHARGES will be imposed from the date of disbursement. There is no free period.

**OTHER CHARGES**

LATE CHARGES: A late charge of 20% of the interest due or \$1.00, whichever is greater, will be charged for each payment received more than 15 calendar days after the due date.

**SECURITY INTEREST**

SECURITY INTEREST: The Credit Union requires a security interest in all loan types. On secured advances, I will pledge and grant a security interest under the provisions of the Uniform Commercial Code and under the terms of the Open-End Loan Agreement and Security Agreement in the personal property which was purchased with the advance or otherwise required to secure the advance. **Collateral securing other loans with the Credit Union will also secure loans made under this agreement. In addition, other loans with the Credit Union are secured by this collateral. Real Estate Loans or loans on property used as my dwelling are not covered by this cross collateral agreement.**

GENERAL PLEDGE OF SHARES AND DEPOSITS (STATUTORY LIEN): If I am in default on a financial obligation to you, federal law gives you the right to apply the balance of shares and dividends in my account(s) at the time of default to satisfy that obligation. Once I am in default, you may exercise this right without further notice to me. However, I retain full access to any and all shares on deposit not specifically pledged as collateral. No lien or right to impress a lien on shares and deposits shall apply to any of my shares which may be held in an "Individual Retirement Account" (IRA).

**NOTICE OF MY BILLING RIGHTS**

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

I MUST NOTIFY THE CREDIT UNION IN CASE OF ERRORS OR QUESTIONS ABOUT MY STATEMENT. If I think my statement is wrong, or if I need more information about a transaction on my statement, I will write the Credit Union on a separate sheet at the address listed on my statement. I will write to the Credit Union as soon as possible. You must hear from me no later than 60 days after you sent me the first statement on which the error or problem appeared. I can telephone you, but doing so will not preserve my rights.

In my letter, I will give you the following information:

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

If I have authorized you to pay my CREDIT CARD Account automatically from my share account, checking account, or through payroll deduction, I can stop the payment on any amount I think is wrong. To stop the payment my letter must reach you three business days before the automatic payment is scheduled to occur.

MY RIGHTS AND YOUR RESPONSIBILITIES AFTER YOU RECEIVE MY WRITTEN NOTICE: You must acknowledge my letter within 30 days, unless you have corrected the error by then. Within 90 days, you must either correct the error or explain why you believe the statement was correct.

After you receive my letter, you cannot try to collect any amount I question, or report me as delinquent. You can continue to send statements to me for the amount I question, including finance charges, and you can apply any unpaid amount against my credit limit. I do not have to pay any questioned amount while you are investigating, but I am still obligated to pay the parts of my statement that are not in question.

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

If I fail to pay the amount that you think I owe, you may report me as delinquent. However, if your explanation does not satisfy me and I write to you within 10 days telling you that I still refuse to pay, you must tell anyone you report me to that I have a question about my statement. And, you must tell me the name of anyone you reported me to. You must tell anyone you report me to that the matter has been settled between us when it finally is.

If you don't follow these rules, you can't collect the first \$50 of the questioned amount, even if my statement was correct.

**SPECIAL RULE FOR CREDIT CARD PURCHASES:** If I have a problem with the quality of property or services that I purchased with a credit card, and I have tried in good faith to correct the problem with the merchant, I may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right (a) I must have made the purchase in my home state, or if not within my home state, within 100 miles of my current mailing address; and (b) The purchase price must have been more than \$50. These limitations do not apply if you own or operate the merchant, or if you mailed me the advertisement for the property or services.

**SEE ATTACHMENT "SCHEDULE A" FOR CURRENT LOAN RATES**

**I MUST SIGN BELOW AND INITIAL THE BOTTOM OF SHEET 2**

**PLEASE READ BEFORE SIGNING**

I/we acknowledge receipt of and agree to the terms and conditions of the Members Disclosure Statement, the Open-End Loan and Security Agreement contained on Sheet 2, and attachment "Schedule A".

SIGNATURE OF BORROWER (MEMBER)

DATE

SPOUSE/CO-APPLICANT SIGNATURE (WHERE APPLICABLE)

DATE

X \_\_\_\_\_

X \_\_\_\_\_

## OPEN-END LOAN AND SECURITY AGREEMENT

IN THESE AGREEMENTS, THE WORDS "I", "ME", "MY" AND "MINE" WILL MEAN ALL PERSONS WHO COMPLETED A "MEMBER LOAN APPLICATION" OR ENDORSED THE LOAN PROCEEDS CHECK. THE WORDS "YOU", "YOUR" AND "YOURS" WILL MEAN THE CREDIT UNION.

I agree to this Open-End Loan and Security Agreement and Disclosure Statement and any future amendments thereto, and promise to pay you all sums advanced under this agreement, plus a Finance Charge.

### LOAN AGREEMENT

- Advances:** You will make loan advances to me. I understand that all advances must be made for good purposes. Advances shall be made at my request by means of check, loan draft, deposit to my draft account, or other account designated by me.
- Credit Limits:** Advances against my Line of Credit Account will at no time, in total, exceed the limit as set forth to me. Advances on secured loans will depend on the value of security offered at the time of each advance.
- Payments:** The Minimum Monthly Payment and due date on all secured loan advances will be set and disclosed to me at the time each advance is made on the Loan Advance Voucher or other notice supplied by you. My Minimum Monthly Payment will not change unless I request additional advances or fail to keep my agreement. The Minimum Monthly Payment and due date on Line of Credit Advances will be disclosed on the Monthly Statement. The Minimum Monthly Payment on Line of Credit Advances is calculated by reference to outstanding balance and will not change unless the credit limit is changed. The Minimum Monthly Payment is calculated at \$3.00 per \$100 of fraction of \$100 of the outstanding balance. I understand that my payments will first be applied to pay insurance charges, if any, then late charges, if any, then finance charges, and then to my outstanding advance balance. I may pay the credit balance in full or in part at any time without penalty. Minimum periodic payments shall not be reduced even though the unpaid principal balance declines as payments are made and a **minimum payment is due each period regardless of previous payments above the minimum.** I understand that payroll deductions are NOT a condition of this loan. If I choose to repay my loan by payroll deductions, the deduction will be allocated first to my loan balance(s) as described above, with the remainder applied to my share account. If the payroll deduction is not received in time to make a loan payment, or if the payroll deduction is insufficient to make a full payment, I understand that it is MY RESPONSIBILITY to make the loan payment each month when payment is due.
- Computation of Finance Charge:** Finance Charges will be computed at the Daily Periodic Rate and Annual Percentage Rate shown on the Loan Advance Voucher for the term of the loan advance.
- Credit Insurance:** Credit life or credit disability insurance is not required as a condition of credit. If I voluntarily choose credit life and/or credit disability insurance, the premiums for such coverage will be added to my outstanding balance. If I do not make any payment when due, you may at your option, cancel such coverage. You may also have the option of paying the insurance premiums and adding them to my outstanding balance where they will be subject to the annual percentage rate disclosed.
- Late Charges:** A late charge, as shown on Sheet 1, may be assessed on late payments. In any event, interest is charged for each day a balance is outstanding. Any payment that (A) delays or (B) accelerates the reduction of my account balance will (A) increase or (B) decrease the total interest cost on my account.
- Default:** I will be in default if I fail to make any payment when due, fail to keep or perform any promise made to you or agreement with you, if any information I have furnished proves to have been false, if I die, become insolvent or file a bankruptcy case, or if a third party tries by legal process to take any of my property or money. If I am in default then you may, at your option, and without notice to me, declare this account to be immediately due and payable. I must pay to you at that time the total unpaid balance, as well as the Finance Charge to date. I further agree to pay your costs of collection, including reasonable attorney's fees. The Finance Charges as described in paragraph 4 of this agreement shall be payable before and after any breach of the agreement.
- Cross Default:** I understand and agree that my breach or default of the terms and conditions of this Open-End Loan Account shall also be deemed to be a default of any and all other Loan, Line of Credit Account and Credit Card Agreements I now have with you or obtain in the future with you. Further, I understand and agree that my breach or default of the terms and conditions of any other Loan, Line of Credit Account or Credit Card Agreements I now have with you or obtain in the future with you shall be deemed to be a default of the terms and conditions of the agreement for this Open-End Loan Account. This "Cross Default" Agreement shall not apply to any Loan, Open-End Loan Account or Credit Card Agreement secured by real property, property used as my dwelling or where otherwise prohibited by Federal or State Law or Regulation.
- Debtor Responsibility:** I promise to notify you of any change in my name, address, or employment. I promise not to apply for a loan if I know there is a reasonable probability that I will be unable to repay my obligation according to the terms of the credit extension. I promise to inform you of any new information which relates to my ability to repay my obligation. I promise not to submit false or inaccurate information or willfully conceal information regarding my credit worthiness, credit standing or credit capacity.
- Termination:** I understand that you may terminate this Loan and Security Agreement under any of the following conditions: (1) Upon adverse re-evaluation of my credit worthiness. (2) If I should fail to meet the terms of this agreement. (3) At my option, or your option, with good cause and upon written notice. I understand that termination will not affect my obligation to pay the balance outstanding incurred prior to the notice.
- Checking, ATM or Other Electronic Overdraft Authorization:** (If applicable) The checking account and ATM mentioned in this section is also governed by other agreements between you and me. If this agreement conflicts with any of the provisions governing those accounts, the provisions of this agreement shall control. If I have a checking and/or ATM account with you, I agree that whenever I write a check or make an ATM transaction which when posted to my checking account or ATM account exceeds the balance in the account by one cent or more, the check shall constitute a request for an advance against my loan account in increments of \$100.00 which will be sufficient to permit the credit union to clear such transaction. Any advances so made shall be subject to the terms of this agreement. The amount of any advance approved by you shall be credited to my checking account or my ATM account as a deposit. Deposits made after a checking overdraft or ATM overdraft account advance are not automatically credited back to my loan.
- Additional Provisions:**
  - I agree to provide you with a current financial statement if you so request and understand that no advance will be made until you have reviewed that financial statement.
  - Each provision of this agreement must be considered as part of the total agreement, and cannot in any way be severed from it. However, I also agree that should any part of this agreement be found invalid, it will in no way affect the remainder of this agreement.
  - I acknowledge that I have received a copy of this Open-End Loan Agreement, and that I have fully read and understand all its terms and conditions.
  - My signing and endorsing any checks or drafts, issued under this agreement or my use of any money advanced under this agreement shows my acceptance of its terms and conditions.

### SECURITY AGREEMENT

- I hereby grant to you a security interest according to the provisions of the Uniform Commercial Code in any property pledged as collateral under this agreement as described on my Loan Advance Voucher. The security interest shall secure all money loaned to me under this agreement, including future advances and any other loans I have with you. **Collateral securing other loans with the Credit Union will also secure loans made under this agreement. In addition, other loans with the Credit Union are secured by this collateral. Real Estate Loans or loans on property used as my dwelling are not covered by this cross collateral agreement.**
- General Pledge of Shares:** I pledge my shares and deposits in the credit union. In case I default, you may apply these shares and deposits to the payment of all sums due at the time of default, including costs of collection and reasonable attorney's fees. No lien or right to impress a lien on shares and deposits shall apply to any of my shares which may be held in an "Individual Retirement Account" (IRA).
- The collateral will be kept at the address shown on my application and I will not change the location of, sell or transfer the collateral unless I have your prior written consent.
- I promise that I own the collateral and that no one else has any interest in it or claim against it. I agree not to sell or lease the collateral or to give it as collateral to anyone until the advance secured by the collateral has been paid.
- I will pay all taxes, assessments, and liens against or attached to the collateral and I further agree to keep it in good condition and housed in a suitable shelter. I agree to execute financing statements and security agreement amendments at your request and will defend the property against adverse third party claims. I will not remove the collateral from the state of my residence as shown on my application unless I have your permission. If I fail to pay taxes, assessments and/or liens, you may, but are not required to, pay such cost and add the cost to my account.
- I will maintain insurance against loss by Fire, Theft, or Collision and Comprehensive Coverage on motor vehicles or other property in which you have a security interest. This insurance may be obtained from any insurance broker of my choice. This insurance will be in a form and an amount satisfactory to you. I will supply you with proof of such insurance and have you named as loss payee until all sums owed to you and secured by this property are repaid. If I fail to maintain such insurance, you may, but are not required to, obtain insurance of your own and the cost of such insurance may be added to my account. At your option, the cost of such insurance, shall be paid on demand or paid by way of increased payments over the term of the insurance policy. This cost may bear interest at the contract rate until paid. I further assign to you the right to receive the proceeds of any insurance on such property, and direct any insurer to pay those proceeds directly to you. I authorize you to increase my payroll deduction to cover the cost of insurance if necessary. I authorize you to endorse any check or draft provided as the proceeds of such insurance, and apply those proceeds to the sums owed to you. I further authorize you to provide your insurance service center with the necessary information for verification of adequate coverage. I acknowledge that insurance, or any extension thereof, placed by you is without benefit to me individually but is primarily for your protection.
- You may meet all requirements for sending me a notice of any kind if you send it to me by means of United States mail, at my last given address.
- Any additional advances made to me for the payment of taxes or assessments or liens of any kind, or premiums on authorized insurance and interest owing thereon shall also be secured by this agreement.
- In return for the sums advanced, I grant you the authority to repossess and sell the collateral should I default in making my payments, or should I fail to discharge any liability I may have under this agreement, or should any statement I have made to you prove false. In such case, you or your authorized representatives may enter the premises where the collateral is kept and take possession, without being liable for trespass and without legal process.
- Unless I default, I may keep possession of the property (collateral) described and use it in any lawful manner consistent with this agreement or with the insurance policy on the collateral. I understand that you have certain rights and legal remedies available to you under the Uniform Commercial Code and other applicable laws, and that you may use these rights to enforce payment if I default. In that event, I will at your request, assemble the property (collateral) and make it available to you at a place of your choosing. If you decide to waive any default, it will not constitute waiver of any other subsequent defaults.
- You are hereby appointed as my Attorney-in-fact to perform any acts which you feel are necessary to protect the collateral and the security interest which this agreement creates.
- If there is more than one borrower, our obligations under this agreement are joint and several, each being equally responsible to fulfill the terms of this agreement.
- Should you feel at any time the security presented has diminished in value, or for any other reason feel that additional security is required, I agree to assign to you within 10 days whatever additional security you feel is necessary to protect yourself against possible loss.
- I acknowledge that I have received a copy of the Open-End Security Agreement, that I have fully read, understand and agree to be bound by all its terms and conditions prior to my signing.
- My signing and endorsing any checks or drafts issued under this agreement or my use of any money advanced under this agreement shows my acceptance of its terms and conditions.

### CHANGE OF TERMS

I understand that you may amend, modify, add to, or delete from this agreement any of its terms and conditions, including the method of application and the amount of the Finance Charge, effective as to any unpaid balance outstanding and any subsequent advance, by mailing a notice of the change to me at my last known address. I also understand that any such notice will be mailed at least 15 days prior to the effective date of the change as required by federal or other law. Notice of a change in terms is required, but may be sent as late as the effective date of the change where the change has been agreed to, in writing by me, or the Finance Charge has been increased because of my delinquency or default.

**THIS SHEET MUST BE INITIALED**

→ Borrower Initial(s) \_\_\_\_\_

**AND RETURNED TO THE CREDIT UNION WITH SHEET 1**



FEDERAL EMPLOYEES WEST FEDERAL CREDIT UNION  
 P.O. Box 17307 • Los Angeles, CA 90017  
 (213) 365-7505

# MEMBER'S COPY

## OPEN-END LOAN ACCOUNT

**NOTE: ALL ADVANCES ARE SUBJECT TO CREDIT UNION REVIEW AND WILL BE GOVERNED BY YOUR CREDIT WORTHINESS AND CREDIT UNION POLICIES IN EFFECT AT THE TIME OF THE ADVANCE REQUEST.**

## KEEP FOR YOUR RECORD

THE DISCLOSURES SET FORTH HERE AND ON THE REVERSE DO NOT APPLY TO THE CREDIT CARD PROGRAM.

### MEMBER'S DISCLOSURE STATEMENT

"I" and "MY" refer to the Borrower(s) and "YOU" and "YOUR" means the Credit Union in this Disclosure Statement.

#### FINANCE CHARGES

**HOW TO COMPUTE THE FINANCE CHARGE:** The unpaid principal balance for each day is multiplied by the daily periodic rate to determine the FINANCE CHARGE for that day. The sum of these daily charges is the FINANCE CHARGE I will pay. The unpaid principal balance is that balance which is in my account at the close of business after all transactions, including payments and new borrowings, have been entered. FINANCE CHARGES will be imposed from the date of disbursement. There is no free period.

#### OTHER CHARGES

**LATE CHARGES:** A late charge of 20% of interest due or \$1.00, whichever is greater, will be charged for each payment received more than 15 calendar days after the due date.

#### SECURITY INTEREST

**SECURITY INTEREST:** The Credit Union requires a security interest in all loan types. On secured advances, I will pledge and grant a security interest under the provisions of the Uniform Commercial Code and under the terms of the Open-End Loan Agreement and Security Agreement in the personal property which was purchased with the advance or otherwise required to secure the advance. **Collateral securing other loans with the Credit Union will also secure loans made under this agreement. In addition, other loans with the Credit Union are secured by this collateral. Real Estate Loans or loans on property used as my dwelling are not covered by this cross collateral agreement.**

**GENERAL PLEDGE OF SHARES AND DEPOSITS (STATUTORY LIEN):** If I am in default on a financial obligation to you, federal law gives you the right to apply the balance of shares and dividends in my account(s) at the time of default to satisfy that obligation. Once I am in default, you may exercise this right without further notice to me. However, I retain full access to any and all shares on deposit not specifically pledged as collateral. No lien or right to impress a lien on shares and deposits shall apply to any of my shares which may be held in an "Individual Retirement Account" (IRA).

### NOTICE OF MY BILLING RIGHTS

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

**I MUST NOTIFY THE CREDIT UNION IN CASE OF ERRORS OR QUESTIONS ABOUT MY STATEMENT.** If I think my statement is wrong, or if I need more information about a transaction on my statement, I will write the Credit Union on a separate sheet at the address listed on my statement. I will write to the Credit Union as soon as possible. You must hear from me no later than 60 days after you sent me the first statement on which the error or problem appeared. I can telephone you, but doing so will not preserve my rights.

In my letter, I will give you the following information:

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

If I have authorized you to pay my CREDIT CARD Account automatically from my share account, checking account, or through payroll deduction, I can stop the payment on any amount I think is wrong. To stop the payment my letter must reach you three business days before the automatic payment is scheduled to occur.

**MY RIGHTS AND YOUR RESPONSIBILITIES AFTER YOU RECEIVE MY WRITTEN NOTICE:** You must acknowledge my letter within 30 days, unless you have corrected the error by then. Within 90 days, you must either correct the error or explain why you believe the statement was correct.

After you receive my letter, you cannot try to collect any amount I question, or report me as delinquent. You can continue to send statements to me for the amount I question, including finance charges, and you can apply any unpaid amount against my credit limit. I do not have to pay any questioned amount while you are investigating, but I am still obligated to pay the parts of my statement that are not in question.

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

If I fail to pay the amount that you think I owe, you may report me as delinquent. However, if your explanation does not satisfy me and I write to you within 10 days telling you that I still refuse to pay, you must tell anyone you report me to that I have a question about my statement. And, you must tell me the name of anyone you reported me to. You must tell anyone you report me to that the matter has been settled between us when it finally is.

If you don't follow these rules, you can't collect the first \$50 of the questioned amount, even if my statement was correct.

**SPECIAL RULE FOR CREDIT CARD PURCHASES:** If I have a problem with the quality of property or services that I purchased with a credit card, and I have tried in good faith to correct the problem with the merchant, I may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right (a) I must have made the purchase in my home state, or if not within my home state, within 100 miles of my current mailing address; and (b) The purchase price must have been more than \$50. These limitations do not apply if you own or operate the merchant, or if you mailed me the advertisement for the property or services.

**SEE ATTACHMENT "SCHEDULE A" FOR CURRENT LOAN RATES**

## OPEN-END LOAN AND SECURITY AGREEMENT

IN THESE AGREEMENTS, THE WORDS "I", "ME", "MY" AND "MINE" WILL MEAN ALL PERSONS WHO COMPLETED A "MEMBER LOAN APPLICATION" OR ENDORSED THE LOAN PROCEEDS CHECK. THE WORDS "YOU", "YOUR" AND "YOURS" WILL MEAN THE CREDIT UNION.

I agree to this Open-End Loan and Security Agreement and Disclosure Statement and any future amendments thereto, and promise to pay you all sums advanced under this agreement, plus a Finance Charge.

### LOAN AGREEMENT

- Advances:** You will make loan advances to me. I understand that all advances must be made for good purposes. Advances shall be made at my request by means of check, loan draft, deposit to my draft account, or other account designated by me.
- Credit Limits:** Advances against my Line of Credit Account will at no time, in total, exceed the limit as set forth to me. Advances on secured loans will depend on the value of security offered at the time of each advance.
- Payments:** The Minimum Monthly Payment and due date on all secured loan advances will be set and disclosed to me at the time each advance is made on the Loan Advance Voucher or other notice supplied by you. My Minimum Monthly Payment will not change unless I request additional advances or fail to keep my agreement. The Minimum Monthly Payment and due date on Line of Credit Advances will be disclosed on the Monthly Statement. The Minimum Monthly Payment on Line of Credit Advances is calculated by reference to outstanding balance and will not change unless the credit limit is changed. The Minimum Monthly Payment is calculated at \$3.00 per \$100 of fraction of \$100 of the outstanding balance. I understand that my payments will first be applied to pay insurance charges, if any, then late charges, if any, then finance charges, and then to my outstanding advance balance. I may pay the credit balance in full or in part at any time without penalty. Minimum periodic payments shall not be reduced even though the unpaid principal balance declines as payments are made and a **minimum payment is due each period regardless of previous payments above the minimum.** I understand that payroll deductions are NOT a condition of this loan. If I choose to repay my loan by payroll deductions, the deduction will be allocated first to my loan balance(s) as described above, with the remainder applied to my share account. If the payroll deduction is not received in time to make a loan payment, or if the payroll deduction is insufficient to make a full payment, I understand that it is MY RESPONSIBILITY to make the loan payment each month when payment is due.
- Computation of Finance Charge:** Finance Charges will be computed at the Daily Periodic Rate and Annual Percentage Rate shown on the Loan Advance Voucher for the term of the loan advance.
- Credit Insurance:** Credit life or credit disability insurance is not required as a condition of credit. If I voluntarily choose credit life and/or credit disability insurance, the premiums for such coverage will be added to my outstanding balance. If I do not make any payment when due, you may at your option, cancel such coverage. You may also have the option of paying the insurance premiums and adding them to my outstanding balance where they will be subject to the annual percentage rate disclosed.
- Late Charges:** A late charge, as shown on Sheet 1, may be assessed on late payments. In any event, interest is charged for each day a balance is outstanding. Any payment that (A) delays or (B) accelerates the reduction of my account balance will (A) increase or (B) decrease the total interest cost on my account.
- Default:** I will be in default if I fail to make any payment when due, fail to keep or perform any promise made to you or agreement with you, if any information I have furnished proves to have been false, if I die, become insolvent or file a bankruptcy case, or if a third party tries by legal process to take any of my property or money. If I am in default then you may, at your option, and without notice to me, declare this account to be immediately due and payable. I must pay to you at that time the total unpaid balance, as well as the Finance Charge to date. I further agree to pay your costs of collection, including reasonable attorney's fees. The Finance Charges as described in paragraph 4 of this agreement shall be payable before and after any breach of the agreement.
- Cross Default:** I understand and agree that my breach or default of the terms and conditions of this Open-End Loan Account shall also be deemed to be a default of any and all other Loan, Line of Credit Account and Credit Card Agreements I now have with you or obtain in the future with you. Further, I understand and agree that my breach or default of the terms and conditions of any other Loan, Line of Credit Account or Credit Card Agreements I now have with you or obtain in the future with you shall be deemed to be a default of the terms and conditions of the agreement for this Open-End Loan Account. This "Cross Default" Agreement shall not apply to any Loan, Open-End Loan Account or Credit Card Agreement secured by real property, property used as my dwelling or where otherwise prohibited by Federal or State Law or Regulation.
- Debtor Responsibility:** I promise to notify you of any change in my name, address, or employment. I promise not to apply for a loan if I know there is a reasonable probability that I will be unable to repay my obligation according to the terms of the credit extension. I promise to inform you of any new information which relates to my ability to repay my obligation. I promise not to submit false or inaccurate information or willfully conceal information regarding my credit worthiness, credit standing or credit capacity.
- Termination:** I understand that you may terminate this Loan and Security Agreement under any of the following conditions: (1) Upon adverse re-evaluation of my credit worthiness. (2) If I should fail to meet the terms of this agreement. (3) At my option, or your option, with good cause and upon written notice. I understand that termination will not affect my obligation to pay the balance outstanding incurred prior to the notice.
- Checking, ATM or Other Electronic Overdraft Authorization:** (If applicable) The checking account and ATM mentioned in this section is also governed by other agreements between you and me. If this agreement conflicts with any of the provisions governing those accounts, the provisions of this agreement shall control. If I have a checking and/or ATM account with you, I agree that whenever I write a check or make an ATM transaction which when posted to my checking account or ATM account exceeds the balance in the account by one cent or more, the check shall constitute a request for an advance against my loan account in increments of \$100.00 which will be sufficient to permit the credit union to clear such transaction. Any advances so made shall be subject to the terms of this agreement. The amount of any advance approved by you shall be credited to my checking account or my ATM account as a deposit. Deposits made after a checking overdraft or ATM overdraft account advance are not automatically credited back to my loan.
- Additional Provisions:**
  - I agree to provide you with a current financial statement if you so request and understand that no advance will be made until you have reviewed that financial statement.
  - Each provision of this agreement must be considered as part of the total agreement, and cannot in any way be severed from it. However, I also agree that should any part of this agreement be found invalid, it will in no way affect the remainder of this agreement.
  - I acknowledge that I have received a copy of this Open-End Loan Agreement, and that I have fully read and understand all its terms and conditions.
  - My signing and endorsing any checks or drafts, issued under this agreement or my use of any money advanced under this agreement shows my acceptance of its terms and conditions.

### SECURITY AGREEMENT

- I hereby grant to you a security interest according to the provisions of the Uniform Commercial Code in any property pledged as collateral under this agreement as described on my Loan Advance Voucher. The security interest shall secure all money loaned to me under this agreement, including future advances and any other loans I have with you. **Collateral securing other loans with the Credit Union will also secure loans made under this agreement. In addition, other loans with the Credit Union are secured by this collateral. Real Estate Loans or loans on property used as my dwelling are not covered by this cross collateral agreement.**
- General Pledge of Shares:** I pledge my shares and deposits in the credit union. In case I default, you may apply these shares and deposits to the payment of all sums due at the time of default, including costs of collection and reasonable attorney's fees. No lien or right to impress a lien on shares and deposits shall apply to any of my shares which may be held in an "Individual Retirement Account" (IRA).
- The collateral will be kept at the address shown on my application and I will not change the location of, sell or transfer the collateral unless I have your prior written consent.
- I promise that I own the collateral and that no one else has any interest in it or claim against it. I agree not to sell or lease the collateral or to give it as collateral to anyone until the advance secured by the collateral has been paid.
- I will pay all taxes, assessments, and liens against or attached to the collateral and I further agree to keep it in good condition and housed in a suitable shelter. I agree to execute financing statements and security agreement amendments at your request and will defend the property against adverse third party claims. I will not remove the collateral from the state of my residence as shown on my application unless I have your permission. If I fail to pay taxes, assessments and/or liens, you may, but are not required to, pay such cost and add the cost to my account.
- I will maintain insurance against loss by Fire, Theft, or Collision and Comprehensive Coverage on motor vehicles or other property in which you have a security interest. This insurance may be obtained from any insurance broker of my choice. This insurance will be in a form and an amount satisfactory to you. I will supply you with proof of such insurance and have you named as loss payee until all sums owed to you and secured by this property are repaid. If I fail to maintain such insurance, you may, but are not required to, obtain insurance of your own and the cost of such insurance may be added to my account. At your option, the cost of such insurance, shall be paid on demand or paid by way of increased payments over the term of the insurance policy. This cost may bear interest at the contract rate until paid. I further assign to you the right to receive the proceeds of any insurance on such property, and direct any insurer to pay those proceeds directly to you. I authorize you to increase my payroll deduction to cover the cost of insurance if necessary. I authorize you to endorse any check or draft provided as the proceeds of such insurance, and apply those proceeds to the sums owed to you. I further authorize you to provide your insurance service center with the necessary information for verification of adequate coverage. I acknowledge that insurance, or any extension thereof, placed by you is without benefit to me individually but is primarily for your protection.
- You may meet all requirements for sending me a notice of any kind if you send it to me by means of United States mail, at my last given address.
- Any additional advances made to me for the payment of taxes or assessments or liens of any kind, or premiums on authorized insurance and interest owing thereon shall also be secured by this agreement.
- In return for the sums advanced, I grant you the authority to repossess and sell the collateral should I default in making my payments, or should I fail to discharge any liability I may have under this agreement, or should any statement I have made to you prove false. In such case, you or your authorized representatives may enter the premises where the collateral is kept and take possession, without being liable for trespass and without legal process.
- Unless I default, I may keep possession of the property (collateral) described and use it in any lawful manner consistent with this agreement or with the insurance policy on the collateral. I understand that you have certain rights and legal remedies available to you under the Uniform Commercial Code and other applicable laws, and that you may use these rights to enforce payment if I default. In that event, I will at your request, assemble the property (collateral) and make it available to you at a place of your choosing. If you decide to waive any default, it will not constitute waiver of any other subsequent defaults.
- You are hereby appointed as my Attorney-in-fact to perform any acts which you feel are necessary to protect the collateral and the security interest which this agreement creates.
- If there is more than one borrower, our obligations under this agreement are joint and several, each being equally responsible to fulfill the terms of this agreement.
- Should you feel at any time the security presented has diminished in value, or for any other reason feel that additional security is required, I agree to assign to you within 10 days whatever additional security you feel is necessary to protect yourself against possible loss.
- I acknowledge that I have received a copy of the Open-End Security Agreement, that I have fully read, understand and agree to be bound by all its terms and conditions prior to my signing.
- My signing and endorsing any checks or drafts issued under this agreement or my use of any money advanced under this agreement shows my acceptance of its terms and conditions.

### CHANGE OF TERMS

I understand that you may amend, modify, add to, or delete from this agreement any of its terms and conditions, including the method of application and the amount of the Finance Charge, effective as to any unpaid balance outstanding and any subsequent advance, by mailing a notice of the change to me at my last known address. I also understand that any such notice will be mailed at least 15 days prior to the effective date of the change as required by federal or other law. Notice of a change in terms is required, but may be sent as late as the effective date of the change where the change has been agreed to, in writing by me, or the Finance Charge has been increased because of my delinquency or default.

## MEMBER - KEEP THIS SHEET