

This is your Checking Line of Credit Agreement with Interra Credit Union. Please read it carefully and keep it for your records. You do not have to sign this Agreement. By applying for or using your Checking Line of Credit, you have agreed to the following provisions, as amended from time to time.

- In this agreement, the words "you" and "your" mean each and all of those persons who apply for the checking line of credit, as well as any authorized checking account signers. The words "Credit Union," "We," "us," and "ours" means Interra Credit Union. Unless it would be inconsistent to do so, words and phrases used in this Agreement should be construed so the singular includes the plural and the plural includes the singular.
- If approved, the Credit Union will establish a Line of Credit to be used in conjunction with the checking account number listed in your application. This line of credit will allow you to borrow funds from time to time on a revolving basis, not to exceed the Credit Line at any time. Any draft/check written on the Share Draft Checking Account in excess of the balance therein shall constitute a request for a loan under this Agreement. Loans will be made by automatic credit to your Share Draft Checking Account in the exact amount in excess of the balance of the Share Draft Checking Account or by transfer, using Interra Connect telephone banking or Interra Online banking services.
- The Credit Union will establish a Credit Line and inform you of the Credit Line when the application is approved. The Credit Union may review your Line of Credit at any time and increase or decrease the maximum amount of the Credit Line. Any increase or decrease in the maximum amount of the Credit Line shall be effective upon actual notice to you or seventy-two (72) hours after it is mailed by the Credit Union to you at the last address shown in the Credit Union records, postage prepaid, in regular United States mail, whichever first occurs. Under this Agreement, the Credit Union is not obligated to make any loan transfers to the checking account if (1) such a loan would be in excess of the maximum amount of the Credit Line; (2) there is a default in repayments; or (3) this Agreement has been terminated. Any draft/check written which the Credit Union is not required to cover by a loan may be dishonored and returned as a non-sufficient funds item.
- You promise to pay the Credit Union all loans made under this Agreement and a FINANCE CHARGE imposed from the date of a loan, all without relief from valuation and appraisal laws to the extent permitted by law, and with reasonable attorney's fees and collection costs associated with the enforcement of your obligations. The FINANCE CHARGE will begin to accrue from the date a loan is made and will continue to accrue until the entire loan is repaid. No FINANCE CHARGE shall be imposed when there is no outstanding loan balance. The FINANCE CHARGE is determined by applying the daily periodic rate to the daily unpaid balance of the loan. The daily unpaid balance of the loan is calculated by taking the beginning balance, adding any new advances, and subtracting any payments or credits. The daily unpaid balance is then multiplied by the daily periodic rate in order to determine the Daily FINANCE CHARGE. The daily periodic rate is .032877, which is an ANNUAL PERCENTAGE RATE of twelve percent (12.00%).
- You are jointly and severally liable for any loans made under this Agreement by any person authorized to sign the checks for the Share Draft Checking Account even though the checks which created loans under this Agreement are not signed by all accountholders, and even if not all accountholders received or benefited from the funds from the loan. The Credit Union will send a Monthly Statement showing all Line of Credit activity during your monthly billing cycle and showing the loan balance and FINANCE CHARGES at the close of the billing cycle. The Monthly Statements will be sent to you at the address shown on the Credit Union's records.
- Repayment** is made through automatic monthly transfers from your Share Draft Checking Account or through regular monthly payments made by you in the amount shown on the Monthly Statement. The Credit Union will set up all Share Draft Checking Line of Credit (LOC) Agreements with the automatic monthly transfer method of payment unless specifically requested otherwise by you in writing in which case you would need to make the regular payments each month. You agree to have sufficient funds in your Share Draft Checking Account each month for the automatic transfer, or if making regular monthly payments to pay the required payment by the due date, until the outstanding loan balance with FINANCE CHARGES is paid in full. The outstanding loan balance can be paid in whole or in part at any time, without penalty. The required monthly payments will be computed based upon the outstanding loan balance existing on the billing date or the automatic transfer date. The minimum payment will be either six percent (6%) of the outstanding loan balance or Twenty-five Dollars (\$25.00), whichever is greater, or the outstanding loan balance if it is less than Twenty-five Dollars (\$25.00) plus any accrued interest. Payments that are made by automatic transfer will occur on the 28th of each month. Payments will commence with the first monthly statement after a loan is made, and payments will continue each month thereafter until the outstanding loan balance with all FINANCE CHARGES is paid in full. Payments shall be applied: first, to any late charges; second, to any accrued or unpaid FINANCE CHARGES; and third, to the outstanding loan balance until the same is paid in full. Since automatic transfer payments will occur on the 28th of each month and the transfer will be one of the first items of business transacted, you must have funds available in your Share Draft Checking Account to cover the transfer before the 28th day of each month.
- You shall promptly furnish to the Credit Union financial statements and any other information requested from time to time by the Credit Union. You shall promptly notify the Credit Union in writing of any address change and until such notification, the Credit Union may rely upon the then existing address in the Credit Union's records. You shall notify the credit union of any adverse change in financial position. You recognize and understand that credit extended by the Credit Union hereunder is in reliance upon this Agreement and upon the representations made and information furnished by you to the Credit Union.
- You shall be in default under this Agreement upon the occurrence of any of the following events:
 - Failing to make the required monthly payments due to the Credit Union under this Agreement;
 - Failing to comply with any other provision or obligation required under this Agreement;
 - Making any representations or furnishing information which is false or misleading in any material respect;
 - Failing to inform the Credit Union of any adverse change in financial position which the Credit Union deems material;
 - The filing of a voluntary or involuntary bankruptcy petition, the appointment of a receiver, the execution of an assignment for the benefit of creditors, or having a writ of attachment, garnishment, execution, or other legal process issued with respect to one or more of you or your property;
 - The death or incompetence of one or more of you; or
 - The Credit Union deeming itself insecure.Upon the occurrence of any event of default, the outstanding loan balance and all FINANCE CHARGES shall, at the Credit Union's option and without notice or demand, become immediately due and payable, and this Agreement as to future loans shall be terminated immediately, without prior notice. In addition to all other rights, the Credit Union shall have the right to set off any sum due from you to the Credit Union against any of your depository accounts with the Credit Union.
- No delay by the Credit Union in the exercise of any of its rights hereunder shall preclude the exercise thereof so long as you are in default hereunder, and no failure of the Credit Union to exercise any of its rights hereunder shall preclude the exercise thereof in the event of a subsequent default by the undersigned hereunder. The Credit Union may enforce any one or more of its rights or remedies hereunder successively or concurrently.
- The Credit Union reserves the right to terminate this Agreement and close the Line of Credit if you are ever in default on any other Credit Union account.
- The Credit Union reserves the right to amend this Agreement in any respect, without consent or approval from you upon written notice to you mailed forty five (45) days prior to the effective date of the amendment in regular United States mail. To the extent permitted by law, any amendment which affects a change in the monthly FINANCE CHARGE shall apply to both loans made thereafter and the unpaid balance of prior loans.
- You understand that any of you individually may increase the credit line (provided they qualify and the Credit Union approves the increase), reduce the credit line, or terminate the Agreement as to future loans by notifying the Credit Union in writing. Increases in the credit line shall take effect upon approval by the Credit Union. Reductions in the credit line and terminations of the Agreement as to future loans shall take effect on the next business day after the written notice is delivered by you to the Loan Department at the Credit Union. Termination of the Agreement shall not affect the rights of the Credit Union or your obligations with respect to loans in existence at the time of termination.
- This Agreement shall be regulated, except to the extent governed by federal law, by the laws of the State of Indiana. Your existing account relationships shall continue to be governed by and construed in accordance with the laws as disclosed in such Account Agreements. Each provision shall be interpreted in such manner as to be effective and valid, but if any part of this Agreement shall be declared invalid, illegal or unenforceable, such decision shall not invalidate remaining provisions. This Agreement is personal to you and nontransferable. The rights and obligations under this Agreement are binding upon and shall inure to the benefit of you, your survivors, and your heirs; the Credit Union, representatives, successors, and assigns.
- Late Payment Fee.** With respect to any minimum payment due which is not paid in full within ten (10) days after its scheduled due date, a late payment fee of \$17.00 shall be imposed.

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

Your Billing Rights Keep This For Future Use

Notify Us In Case of Errors or Questions About Your Monthly Statement

If you think your Monthly Statement is wrong, or if you need more information about a transaction on your Monthly Statement, write us on a separate sheet at the address listed on your Monthly Statement. Write us as soon as possible. We must hear from you no later than sixty (60) days after we sent you the first Monthly 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 Checking Line of Credit bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the 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 Monthly 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 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 reflected in your Monthly Statement that are not in question.

If we find that we made a mistake on your Monthly 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 (10) days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your Monthly 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 do not follow these rules, we cannot collect the first \$50.00 of the questioned amount, even if your Monthly Statement was correct.

Interra Credit Union

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