



Name & Account Number: _____

MULTI-FEATURED LOAN AGREEMENT AND SECURITY AGREEMENT

Loans 517-333-2222 • Toll-Free 800-678-6967
Toll-Free Fax 866-374-2123
www.msufcu.org

IN THIS AGREEMENT, THE WORDS "I," "ME," "MY," AND "MINE" WILL MEAN ALL PERSONS WHO COMPLETED A "CREDIT APPLICATION FOR ALL CREDIT," ENDORSED THE LOAN PROCEEDS CHECK, OR MADE USE OF THE LOAN PROCEEDS. THE WORDS "YOU," "YOUR," "YOURS," AND "CREDIT UNION" WILL MEAN THE MICHIGAN STATE UNIVERSITY FEDERAL CREDIT UNION.

I agree to this Multi-Featured Loan Agreement and Security Agreement ("Agreement") and any future amendments thereto, and promise to pay you all sums advanced under this Agreement, plus a Finance Charge.

I understand and agree that my signature on this Agreement does not obligate me to repay any sums advanced under this Agreement (the "Loaned Money"), or bind me to the terms of this Agreement, unless and until I endorse a check you give me as Loaned Money, or I use Loaned Money you give to me by means other than a check (for example, Loaned Money deposited in my account).

MULTI-FEATURED LOAN AGREEMENT

1. 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, electronic transfer, deposit to my checking account, or other account designated by me.

2. CREDIT LIMITS

Advances against my Instant Cash Loan 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.

3. PAYMENTS

The minimum monthly payment on all Instant Cash Loan Advances is 3% of the balance outstanding after each advance, but at no time will the minimum payment be less than \$20.00. The minimum monthly payment and the due date on all other loan advances will be set and disclosed to me at the time each advance is made on the Loan Advance Request Voucher. The payment amount will not change until a subsequent advance is taken unless I request additional advances or fail to keep my agreement. The minimum monthly payment will be increased by any balance outstanding in excess of my credit limit. If I send an amount greater than my minimum monthly payment, you will automatically advance my next payment due date by the number of whole monthly payments satisfied by the extra funds. Each payment is applied first to unpaid late fees and charges, then to the accrued interest due on the loan and the remaining amount is applied to the principal balance. Payments cannot be applied to future interest because interest accrues under the formula disclosed below under "Computation of Finance Charge." I may pay the credit balance in full or in part at any time without penalty. 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.

I understand that payroll deductions are NOT a condition of this loan. 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.

4. COMPUTATION OF 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 grace period.

Finance Charges on Instant Cash Loan Advances will be computed at the Daily Periodic Rate disclosed in the Account-Opening Disclosure Statement in effect on the date of each advance, which may be different than the rate described in this Agreement. The Finance Charges on all other loan advances will be computed on the Daily Periodic Rate disclosed in the applicable Loan Advance Request Voucher.

5. CREDIT INSURANCE

Credit Life or Credit Disability Insurance is not required as a condition of credit. If I choose voluntary 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.

6. LATE CHARGES

If any loan payment is received seven (7) or more days past the due date, I agree to pay a late charge of **\$25.00**. In any event, interest is charged for each day a balance is outstanding.

7. OTHER CHARGES

I understand the Instant Cash Credit Agreement is subject to a **\$5.00** fee for a transfer of funds to cover an overdraft check. (Optional - charged only if I elect to receive a paper notice.)

8. 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.

MULTI-FEATURED LOAN AGREEMENT (CONT'D)

9. SPECIAL DEFAULT RATE

I understand and agree that my failure, or the failure of a third party, to properly secure or to cooperate with you to properly secure a first priority security interest in collateral I have pledged, or which a third party has pledged for my benefit, for an advance under this Agreement within twenty (20) days of such advance shall result in an **ANNUAL PERCENTAGE RATE of 18%** being charged to the total outstanding balance for that advance. In the event I, or a third party, subsequently produce evidence acceptable to you that a lien has been placed providing the Credit Union with a first priority security interest in the collateral pledged for the advance you will reinstate the initial Annual Percentage Rate.

10. BORROWER RESPONSIBILITY

I promise to notify you of any change in my name, address, or employment. I promise not to apply for a loan or to request an advance under an existing credit line 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.

11. GENERAL PLEDGE OF SHARES

I pledge my shares and deposits in the Credit Union as security for every advance under this Agreement. 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. 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).

12. TERMINATION

I understand that you may terminate this 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; and (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.

13. CHECKING OVERDRAFT AUTHORIZATION

The checking account mentioned in this section may also be governed by another agreement between you and me. If this Agreement conflicts with any of the provisions governing the checking account, the provisions of this Agreement shall control. If I have a checking account with you, I agree that whenever I (or anyone authorized to sign on my checking account) write a check which when posted to my checking account exceeds the balance in the account by one cent or more, the check shall constitute a request for an advance against my Instant Cash Loan Account in increments of \$100.00 which will be sufficient to permit the Credit Union to pay such check. Any advances so made shall be subjected to the terms of this Agreement. The amount of any advance approved by you shall be credited to my checking account as a deposit. These provisions also apply should I overdraw my checking account by means of an Automated Teller Machine or other electronic means. Deposits to my checking account made after a loan advance are not automatically credited back to my loan.

14. ADDITIONAL PROVISIONS

- (1) 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.
- (2) 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.
- (3) I acknowledge that I have received a copy of this Agreement and that I have fully read and understand all its terms and conditions.
- (4) I understand and agree that collateral securing other loans with you, other than real estate that is my primary residence and household goods, will also secure loans made under this Agreement.
- (5) I agree that you may change any term or condition of this Agreement at any time, and that you will provide me with written notice of that change as required by law.

PLEASE READ BEFORE SIGNING

By signing below, I/we hereby give authorization to my/our employer(s) to release any employment verification to the Credit Union. I/we hereby authorize the Credit Union to check my/our credit and employment history and to answer questions about the Credit Union's credit experience with me/us. I/we hereby authorize the release, by my/our Credit Union records custodian, of any information pertaining to my/our past and present financial status and any action pending or taken against me/us in the past. The undersigned authorizes the receipt and exchange of credit information.

| | | |
|----------|-----------------------|------|
| x | SIGNATURE OF BORROWER | DATE |
| x | PRINTED NAME | |
| x | SIGNATURE OF BORROWER | DATE |
| x | PRINTED NAME | |
| x | SIGNATURE OF BORROWER | DATE |
| x | PRINTED NAME | |

MULTI-FEATURED LOAN AGREEMENT (CONT'D)**9. SPECIAL DEFAULT RATE**

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I pledge my shares and deposits in the Credit Union as security for every advance under this Agreement. 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. 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).

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The checking account mentioned in this section may also be governed by another agreement between you and me. If this Agreement conflicts with any of the provisions governing the checking account, the provisions of this Agreement shall control. If I have a checking account with you, I agree that whenever I (or anyone authorized to sign on my checking account) write a check which when posted to my checking account exceeds the balance in the account by one cent or more, the check shall constitute a request for an advance against my Instant Cash Loan Account in increments of \$100.00 which will be sufficient to permit the Credit Union to pay such check. Any advances so made shall be subjected to the terms of this Agreement. The amount of any advance approved by you shall be credited to my checking account as a deposit. These provisions also apply should I overdraw my checking account by means of an Automated Teller Machine or other electronic means. Deposits to my checking account made after a loan advance are not automatically credited back to my loan.

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- (2) 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.
- (3) I acknowledge that I have received a copy of this Agreement, and that I have fully read and understand all its terms and conditions.
- (4) I understand and agree that collateral securing other loans with you, other than real estate that is my primary residence and household goods, will also secure loans made under this Agreement.
- (5) I agree that you may change any term or condition of this Agreement at any time, and that you will provide me with written notice of that change as required by law.

SECURITY AGREEMENT

1. 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 Request Voucher or Account-Opening Disclosure Statement. Unless it is household goods, as that term is defined in the Credit Practices Rule, or real estate that is my primary residence, this collateral also secures any other obligation I owe to you, regardless when such obligations are or were incurred. In addition, unless it is household goods, as that term is defined in the Credit Practices Rule, or real estate that is my primary residence, any property securing other loans I have with you will also secure advances made under this Agreement.
2. 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.
3. 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.
4. 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.
5. 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.

SECURITY AGREEMENT (CONT'D)

6. 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.
7. 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.
8. 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.
9. 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.
10. You are hereby appointed as my irrevocable Attorney-In-Fact, coupled with an interest, to perform any acts which you feel are necessary to protect the collateral and the security interest which this Agreement creates.
11. 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.
12. 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 ten (10) days whatever additional security you feel is necessary to protect yourself against possible loss.
13. I acknowledge that I have received a copy of the Agreement that I have fully read and understand all its terms and conditions.

YOUR BILLING RIGHTS: KEEP THIS DOCUMENT FOR FUTURE USE

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

WHAT TO DO IF YOU FIND A MISTAKE ON YOUR STATEMENT

If you think there is an error on your statement, contact us online through ComputerLine or write to us at:

Michigan State University Federal Credit Union
3777 West Road
East Lansing, MI 48823

In your correspondence, give us the following information:

- Account information: Your name and account number.
- Dollar amount: The dollar amount of the suspected error.
- Description of problem: If you think there is an error on your statement, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 days after the error appeared on your statement.
- At least 3 business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

WHAT WILL HAPPEN AFTER WE RECEIVE YOUR CORRESPONDENCE

When we receive your correspondence, we must do two things:

1. Within 30 days of receiving your correspondence, we must tell you that we received your correspondence. We will also tell you if we have already corrected the error.
2. Within 90 days of receiving your correspondence, we must either correct the error or explain to you why we believe the statement is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- **If we made a mistake:** You will not have to pay the amount in question or any interest or other fees related to that amount.
- **If we do not believe there was a mistake:** You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your statement is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your statement. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50 of the amount you question even if your bill is correct.

Keep This Copy for Your Records

