



OVERDRAFT LINE OF CREDIT AGREEMENT

Polish-American Federal Credit Union 2889 East Maple Road Troy, MI 48083

Date of Agreement: _____ **Member Account Number:** _____

Maximum Credit Limit: _____ **Minimum Advance: \$100.00**

Payment Calculation: 3% of the Outstanding Balance **Minimum Payment: \$25.00**

Daily Periodic Rate:

.03534%

Annual Percentage Rate:

12.90%

Collection Costs: You promise to pay all costs of collecting any amounts you owe under this Agreement including reasonable attorney fees to the extent permitted by law.

Late Charge: You will be charged a late fee on any payment made more than 30 days after it is due equal to 5.0% of the payment due.

This Credit Agreement, which includes the Truth In Lending Disclosures, will be referred to as "The Agreement." "You", "your" and "borrower" means any person who signs the Agreement. "Credit Union", "we", "our", and "us" means Polish-American Federal Credit Union or anyone to whom Polish-American Federal Credit Union transfers its rights under the Agreement.

- 1. HOW THIS AGREEMENT WORKS** – This is an open-end credit plan. We anticipate that, from time to time, you will borrow money (called "advances") under the Agreement. We are not required to make advances to you under the Agreement and can refuse to make an advance at any time. The current interest rate is expressed as a daily periodic rate and corresponding annual percentage rate (APR) and other charges. It may also have other terms and a schedule for determining the payment amounts.
- 2. CREDIT LIMIT** – We may, but do not have to, establish a credit limit under this Agreement. You promise not to exceed the established credit limit. If you exceed the credit limit, you promise to repay immediately the amount which exceeds the credit limit.
- 3. REPAYMENT** – You promise to repay all amounts you owe under the Agreement plus interest. Payments are due on the first day of every month unless we set a different date at the time of an advance. Your payment will be determined at the time of each advance. Payments must include any amount past due and any amount by which you have exceeded any credit limit you have been given. You may repay all or part of what you owe at any time without any prepayment penalty. Even if you prepay, you will still be required to make the regularly scheduled payments unless we agree in writing to a change in the payment schedule. If you have a joint share draft account, you will be responsible for paying all overdraft advances obtained by a joint holder of the share draft account. Payments will be applied in the order the Credit Union chooses.
- 4. CREDIT LIMIT ACCESS** – You can obtain advances under this Agreement in any manner authorized by us. If we allow you to use our Debit Card to access your credit limit, you may be liable for the unauthorized use of your Debit Card. You will not be liable for unauthorized use that occurs after you notify us in writing of the loss, theft or possible unauthorized use. If you believe your Debit Card has been lost or stolen, you agree to immediately notify the Credit Union by writing us at the address that appears elsewhere in the Agreement. If the Debit Card is used to obtain advances under the Agreement, your liability will not exceed \$50.00. Your liability is governed under the Regulation E disclosures you received at the time you received your Debit Card.

5. **FINANCE CHARGE** – The dollar amount you pay for money borrowed is called a “finance charge” and begins on the date of each advance. A finance charge will be computed separately for each separate advance under the Agreement. To compute the finance charge, the unpaid balance for each day since your last payment (or since an advance if you have not yet made a payment) is multiplied by the applicable daily rate. The sum of these amounts is the finance charge owed. The balance used to compute the finance charge is the unpaid balance each day after payments and credits to that balance have been applied and any additions to the balance have been made. In addition to interest, we may charge other finance charges which are disclosed herein. If the interest rate is a variable rate we also explain how the variable interest rate works.
6. **SECURITY INTEREST** – The Agreement is secured by the shares and deposits in all joint and individual accounts you have with the Credit Union now and in the future. Shares and deposits in an Individual Retirement Account and any other account which would lose special tax treatment under state and federal law, if given as security, are not subject to the security interest you have given in your shares and deposits. Property securing other loans with us may also secure the Agreement. However, if you have given your dwelling as security for a loan with us, that dwelling will not secure an advance made under this Agreement.
7. **CREDIT INSURANCE – CREDIT LIFE AND/OR CREDIT DISABILITY INSURANCE IS NOT AVAILABLE UNDER the Agreement.**
8. **PERIODIC STATEMENT** – On a regular basis, you will receive statement showing all transactions under the Agreement during the period covered by the statement. Statements and notices will be sent to you at the most recent address you have given us in writing. Unless applicable law requires notice to each joint borrower, notice to any one of you will be notice to all.
9. **JOINT ACCOUNTS** – If this is a joint account, each of you is individually and jointly responsible for paying all amounts owed. This means that we can enforce our rights under the Agreement against any one of you individually or against all of you together. If you give us inconsistent instructions, we can refuse to follow your instructions. Unless our written policy requires all of you to sign for an advance, each of you authorizes the other(s) to obtain advances individually and agrees to repay advances made to the other(s).
10. **FEES AND CHARGES** – We may charge you late fees and other fees and costs which are disclosed herein.
11. **UPDATING CREDIT INFORMATION** – You promise that you will promptly give us written notice if you move, change your name or employment, or if any other information you provided to us changes. Upon our request you also agree to provide us updated financial information.
12. **WAIVER** – We can delay or waive enforcing any of our rights under this Agreement, including your obligation to make timely payments, without losing our right to enforce the terms of the Agreement at a later time. If the law makes any term(s) on the Agreement unenforceable, the other terms will remain in effect.
13. **DEFAULT** – You will be in default if you do not make a payment of the amount required when it is due. You will be in default if you break any promise you made under the Agreement or if anyone is in default under any security agreement made in connection with an advance under the Agreement. You will be in default if you die, file for bankruptcy, become insolvent, if you make false or misleading statements in any credit application or update of credit information, or if something happens we believe may substantially reduce your ability to repay what you owe. You will also be in default under the Agreement if you are in default under any other loan agreement with us.
14. **ACTION AFTER DEFAULT** – When you are in default, we can require immediate payment (acceleration) of the entire unpaid balance under the Agreement. You waive any right you have to demand for payment, notice of intent to accelerate and notice of acceleration. If immediate payment is demanded, you will continue to pay interest until what you owe has been repaid at the applicable interest rates in effect unless a default rate is disclosed. If a demand for immediate payment has been made, the shares and deposits given as security for the agreement can be applied towards what you owe. We can also exercise any other rights given by law when you are in default.
15. **CANCELLING OR CHANGING THE AGREEMENT** – we have the right to change the terms of the Agreement from time to time after giving you any advance notice as may be required by law. Any change in the interest rate will apply to future advances, and at our discretion, and subject to any requirements of applicable law, will also apply to unpaid balances. An increase in the periodic rate under a variable interest rate is not considered a change in terms under the Agreement. We can cancel the entire Agreement or any part of the Agreement at any time. You can cancel the Agreement at any time. Your obligation to pay the unpaid balances under the terms of the Agreement continues whether you or the Credit Union cancels the Agreement.

You acknowledge that you have received and read a completed copy of this Agreement and you agree to its terms.

Date

Date