



CREDIT AGREEMENT AND TRUTH-IN-LENDING DISCLOSURE Unsecured Lines of Credit (revised September 2018)

This Credit Agreement and Truth In Lending Disclosure (this "Agreement") describes the terms and conditions of the Unsecured Line of Credit offered by The Golden 1 Credit Union ("Golden 1"). In this Agreement, "you," "your" and "Borrower" mean each person who signs the Account Opening Disclosure and Agreement ("Line of Credit Agreement"). "Golden 1," "we," "our" and "us" mean Golden 1 or anyone to whom Golden 1 transfers its rights under this Agreement.

I. OVERVIEW

A. APPLYING FOR CREDIT

You request that Golden 1 establish a line of credit ("Line of Credit") and make advances of monies ("Advances") to you from time to time in accordance with the terms of this Agreement (including the Line of Credit Agreement). You understand that credit requests may be made in any manner acceptable to Golden 1.

B. PROMISE TO PAY

You promise to pay Golden 1 the total of all Advances ("Advances"), finance charges, and other amounts set forth in this Agreement on the payment terms set forth in this Agreement and the Line of Credit. This includes any requests for payments to a third party or for deposit to a savings or checking account of yours. Payments must be made in U.S. Dollars.

C. LINE OF CREDIT AGREEMENT

The Line of Credit Agreement will contain the initial **Annual Percentage Rate ("APR")** for the Line of Credit. The rate is effective as of the date noted on the Line of Credit Agreement. The **APR** may vary, as described more fully in the Line of Credit Agreement. To learn the current range of rates, you may call Golden 1 or inquire at any Golden 1 branch. If you are dissatisfied with the Line of Credit, or any other terms of the Line of Credit, you may request that the Line of Credit be closed and you will not accrue any finance charges if you have not made any Advances. If you request any Advances from the Line of Credit, you promise to repay to Golden 1 all amounts owed pursuant to this Agreement.

D. PERIODIC STATEMENTS

You will also receive a regular periodic statement ("Periodic Statement") showing all transactions on your Line of Credit including amounts paid and borrowed since your last Periodic Statement. You promise to make at least the minimum monthly payments required by each Periodic Statement by the due date specified in the Periodic Statement.

E. CREDIT REVIEW

Golden 1 will obtain and review your credit report when you apply for a Line of Credit. You hereby authorize Golden 1 to periodically obtain and review your credit report in order to determine your continued eligibility for credit. Information in your credit report will be used to determine if you qualify for the Line of Credit and if so, your qualifying **APR** and margin. Golden 1 may adjust your Daily Periodic Rate (as defined below) and corresponding **APR** based on changes in your credit qualifications. Golden 1 may also reduce your credit limit or refuse to extend new credit as the result of its periodic review of your creditworthiness. Factors considered by Golden 1 in reviewing your creditworthiness may include frequency of late payments, liens, number of new accounts or extent of credit usage, among other things.

F. JOINT CREDIT

Each person who signs the Line of Credit Agreement is jointly and severally liable for any credit extended pursuant to this Agreement. By signing the Line of Credit Agreement, you and any co-borrower each authorized the other to individually request, authorize or receive Advances on the Line of Credit. You will remain jointly and severally liable for any Advance under this Agreement even if you did not specifically request a particular Advance and/or did not receive any benefit from the Advance. If you do not wish for any further Advances to be made under this Agreement, you may close the Line of Credit. If you do not want the co-borrower to be able to request any further Advances, you may close the Line of Credit. Any one of you may close the Line of Credit, but both of you will remain jointly and severally obligated to repay the outstanding balance of the Line of Credit under the terms of this Agreement.

II. GENERALLY APPLICABLE DISCLOSURES

A. ACCESS TO ACCOUNT INFORMATION

You agree that all borrowers and authorized users on the Line of Credit will have access to information regarding transactions on that account, including, but not limited to, purchases and cash advances, account balances, account history, payments and other information relating to or arising with regard to that account or any transaction on that account. If you have linked a share account or a Line of Credit to a joint checking account, the joint owner of the checking account will be able to access the linked shares or Line of Credit even if the shares or Line of Credit are not in the name of the joint owner on the checking account.

A Periodic Statement will be mailed to the member whose name appears first on the account. However, the other member/joint owner will be able to request copies of the account statements for a fee.

B. FINANCE CHARGE

You will incur a finance charge ("Finance Charge") for all sums owing on all Lines of Credit. Unless otherwise prohibited by law, the unpaid balance will include any unpaid fees or charges, including Finance Charge. **This means that interest will be compounded if finance and other charges are not paid on or before the date they are charged to your Line of Credit.** The Finance Charge begins to accrue on each Line of Credit on the date of the first Advance taken on the Line of Credit and continues up to the date when repayment in full of all amounts owing under the Line of Credit is posted to the Line of Credit. We figure the Finance Charge on each Line of Credit by multiplying the unpaid balance at the end of each day by the "Daily Periodic Rate". The "Daily Periodic Rate" will be disclosed to you on your applicable Line of Credit Agreement and your Periodic Statement and will be calculated by dividing the **APR**, also disclosed to you in the Periodic Statement, by 365 (366 in a leap year) days.

The unpaid balance is the balance each day after payment and credits have been subtracted and the advances and other charges have been added.

Payments will be applied first in satisfaction of late charges, if any, then to the Finance Charges and then to the balance and will be applied toward repayment of principal. There is no "Free Ride" or grace period during which credit may be extended without incurring a Finance Charge.

C. ACCESSING YOUR LINE OF CREDIT

You can access your Line of Credit by receiving an advance by cash or official check at any Golden 1 branch, by authorizing overdraft protection on your checking account, by using Line of Credit checks or drafts by automated teller machine (ATM) advances, or by Golden 1 Online/Telephone Teller advances and transfers. Golden 1 shall be under no obligation to pay a Line of Credit check or draft which is more than six months old, and Golden 1 shall not be liable to you for the payment of a stale dated check or draft. You agree that Golden 1 shall not be liable to you for payment of a postdated check or draft. The responsibility shall be with the person to whom you issued the check or draft. You agree that Golden 1 shall not be liable for any loss as a result of making payment on an unsigned check or draft.

D. ADDITIONAL CONDITIONS

1. General

- a. Golden 1 is under no obligation to make any Advances to you.
- b. You will promptly report to Golden 1 any change of address or any substantial adverse change in your financial condition.
- c. The covenants and agreements contained in the Line of Credit Agreement and all other loan documents delivered to you and/or executed by you in conjunction with this obligation will be performed by you as and when due.

2. Prepayment

You may pay the entire balance at any time without penalty. Interest will continue to accrue on any outstanding balance.

3. Assignment

Golden 1 has the right to assign and transfer its rights under this Agreement and any amounts you owe to us. The term "us" shall be deemed to include each and every immediate and successive assignee. You do not have the right to assign or transfer any of your rights, duties or obligations under this Agreement.

4. Canceling or Changing This Line of Credit

Golden 1 has the right to change the terms of this Line of Credit at any time upon proper advance notice, where required by law. Golden 1 can cancel this Line of Credit or refuse your Credit Request at any time. You or your co-borrower may cancel this Line of Credit at any time. Your obligation to pay what you owe continues if you or Golden 1 cancels this Line of Credit and all other provisions of this Agreement continue in full force and effect until you pay Golden 1 all that you owe.

5. Late Charges

If a payment is not received in full within 15 days after it is due, you will pay a late charge of \$15.00.

6. Other Charges

Below is a list of other charges that may be imposed:

- Copy of Statement..... \$ 5.00
- Returned Payment..... \$ 8.00

7. Collection Costs

If you are in default under the terms of this Agreement or Line of Credit Agreement, you agree to pay to us all collection costs, including reasonable attorney's fees.

8. Agreement To Be Contacted

You agree that Golden 1 may contact you at the telephone number you provided either during the application process or during the term of the loan. This contact agreement extends to any cellular (mobile) phone number you may also provide. You understand that Golden 1 will use this contact information if you have defaulted on your loan to discuss your account or exchange information concerning your default. You also understand that Golden 1 may employ the use of an automated dialer or prerecorded message.

9. Overdraft Protection

You may select your Line of Credit to cover overdrafts (checks, pre-authorized debit or debit card transactions) that exceed the balance in your Golden 1 Checking Account. If authorized by you, Golden 1 will check your designated Line of Credit to pay an overdraft. Golden 1 will transfer amounts from your Line of Credit in increments of \$200, or if increments of \$200 are not available, Golden 1 will transfer whatever is available if it will clear the item. Golden 1 will not transfer from your Line of Credit if your Line of Credit is over your credit limit or delinquent. There is no limitation on the number of transfers per month as there is when transferring funds from a share account and there is no limitation on the dollar amount of the transfer. Any transfers will be charged to your Line of Credit as Advances and will accrue interest from the date of the transfer.

10. Pledge of Shares and Deposits

You pledge all shares, payment on shares, dividends on shares, and deposits (excluding retirement accounts or other accounts to the extent that applicable law precludes the pledge of such accounts) in all joint and individual accounts which you now have or hereafter may have in Golden 1, as security for each Line of Credit you open and for interest thereon, and for late charges, costs, and expenses (including attorneys' fees) in connection therewith. You hereby authorize Golden 1 to apply any and all such shares, payment on shares, dividends on shares, and deposits to the payment of the Line of Credit, including interest, late charges, costs, expenses, and all other sums owed to Golden 1.

11. Waiver

Golden 1 will not lose any of its rights under this Agreement by failing to use them. Please read all sections.

E. CREDIT LIMIT

If we approve your credit request for a Line of Credit, we will establish a credit limit for the Line of Credit. You agree not to attempt to exceed the credit limit. If you temporarily exceed your credit limit, your credit limit will not be increased and you agree to immediately repay the excess amount. We can increase or decrease your credit limit at our discretion. We will notify you in writing if the amount of your credit limit goes up or down. We may suspend or close your credit limit or otherwise terminate your ability to use your Line of Credit. We may do this at any time and for any reason. Your obligations under this Agreement continue even after we have done this. You may cancel your credit limits established for applicable Lines of Credit upon written request to Golden 1.

F. DEFAULT

You will be in default under this Agreement if any of the following happens on the Line of Credit:

1. You do not make a payment as required by this Agreement or you are in default of any other obligation you have with Golden 1.
2. You exceed your credit limit without our permission.
3. You become subject to bankruptcy, incompetency or insolvency proceedings or you die.
4. You make false statements or omissions or provide fraudulent signatures on any application or financial statement provided to Golden 1.
5. Your payment is returned for any reason.
6. There has been a material adverse change in your creditworthiness.
7. You violate any of the terms of this Agreement or the Line of Credit Agreement, or if you fail to comply with the terms of any other obligation to or agreement you have with Golden 1.
8. You no longer qualify for Golden 1 membership.

Upon the occurrence of any event of default under this Agreement, Golden 1 may, subject to applicable law, charge interest at the Default/Penalty Rate, if any, disclosed in the Line of Credit Agreement, or the highest rate allowed by law, on all balances owing. Subject to applicable law, we may also (a) terminate or suspend your credit privileges, (b) change the terms of the Line of Credit, (c) demand that you pay the entire unpaid balance of the Line of Credit, and/or, (d) increase your minimum monthly payments. Default on any other loan, obligation, or agreement that you have with Golden 1 will also constitute default under this Agreement.

G. SEVERABILITY

Should any provision of this Agreement be determined to be invalid or unenforceable under any law, rule or regulation, that determination shall not affect the validity or enforceability of any other provisions of this Agreement.

H. CHOICE OF LAW

This Agreement and your Line of Credit, as well as Golden 1's rights and duties regarding this Agreement and your account, shall be governed by and interpreted in accordance with federal laws and the laws of the State of California.

I. CREDIT REPORTING ISSUES

If you have any complaints relating to credit reporting issues, you must write us at

Credit Report Disputes
Golden 1 Credit Union
P.O. Box 279740
Sacramento, CA 95827

III. YOUR BILLING RIGHTS (KEEP THIS NOTICE FOR FUTURE USE)

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

Notify Us In Case of Errors or Questions About Your Bill.

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us, on a separate sheet, at **Golden 1 Credit Union, P.O. Box 15966 Sacramento, CA 95852-0966**. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first bill 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 credit card 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 bill 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 of your bill that are not in question.

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

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

If we don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your bill was correct.