



Being a Penn State Federal Credit Union member allows members to take advantage of the Credit Union's competitive interest rates & better member service. Attached are all the forms necessary to process your loan. Please read, fill out and sign this loan agreement so that we can meet all your current & future loan needs.

To apply please submit:

LOANLINER application filled out completely.

LOANLINER Open-End Plan Signature PLUS Agreement. The top-half is the LOANLINER agreement, signature is required. The bottom-half is an offer for Life & Disability Insurance. Coverage may be elected now, later or declined; however, you must select an option at this time. Please indicate your selection in the boxes, sign and date the form.



Pay stub copies for the last 30 days showing pay per pay period and year-to-date information for each borrower are required. If you are self-employed, or are claiming interest, dividend or rental income (that you would like considered for repayment), submit copies of the last two years signed federal income tax returns.

Identification. A copy of a government issued photo identification (e.g. state driver's license, passport, ID card) is required to be kept on file per the US PATRIOT ACT.

If applying for a VEHICLE LOAN, please provide: For Dealer purchase: a copy of the "dealer sheet," including the purchase price, VIN number, year, make, model & mileage of the vehicle to be purchased. For private purchase transactions: provide written vehicle information including the purchase price, VIN number, year, make, model & mileage of the vehicle to be purchased. Pre-approvals do not require vehicle specifics for approval, but they must be provided prior to loan disbursement. Proof of full coverage insurance and proof that Penn State Federal Credit Union is listed as the loss payee/lien holder are required before a loan may be disbursed.

If applying for a DEBT CONSOLIDATION LOAN, please provide: the lender names, addresses and account statements for all accounts to be paid off (charge cards, installment loans, mortgages, etc.).

*For faster processing, fax all forms to (814) 865-9041. **Mail, or drop off the original, signed documents.** If you have any questions regarding these forms, please ask your lending service representative for more information. The Loan Department can be contacted by telephone at (814) 863-0549, by fax at (814) 865-9041, or by email at loans@pennstatefederal.com.*

1937 North Atherton Street ●
State College, PA 16803 ●
P. (814) 865-7728 ●
P. (800) 828-4636 ●
F. (814) 863-6183 ●
www.PennStateFederal.com ●



Need to borrow? Use this form to apply for a loan. **Print out and return pages 2-11 and payroll and tax forms as explained on page 1.** Fill out & fax in to get a fast start, then mail in or drop off, we will need your original signature.

(Do not use for Mortgage, Home Equity or VISA or Home Equity Lines of Credit Loans.)



That's my Credit Union!

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Application

Individual Credit: You must complete the **Applicant** section about yourself and the **Other** section about your spouse if:
 1. you live in or the property pledged as collateral is located in a community property state (AK, AZ, CA, ID, LA, NM, NV, TX, WA, WI),
 2. your spouse will use the account, or
 3. you are relying on your spouse's income as a basis for repayment. If you are relying on income from alimony, child support, or separate maintenance, complete the **Other** section to the extent possible about the person on whose payments you are relying.

Joint Credit: Each Applicant must **individually** complete the appropriate section below. If Co-Borrower is spouse of the Applicant, mark the Co-Applicant box.

Guarantor: Complete the **Other** section if you are a guarantor on an account/loan.

Check below to indicate the type of account(s) and type of credit for which you are applying. Married Applicants may apply for a separate account.

LOANLINER Account/Loan: Individual Joint
 (Including ATM/Debit Card Access to the Account if Available)

Amount Requested \$ _____

Purpose/Collateral: _____

Repayment: Payroll Deduction Cash Military Allotment Automatic Payment

PAYMENT PROTECTION Are you interested in having your loan protected? Yes No
 If you answer "yes", then the credit union will disclose the cost of this voluntary payment protection to you. A separate election which discloses the terms and conditions must be signed for protection to be effective.

APPLICANT	
NAME	
MOTHER'S MAIDEN NAME	ACCOUNT NUMBER
SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER/STATE
AGES OF DEPENDENTS	EMAIL ADDRESS
BIRTH DATE	HOME PHONE BUSINESS PHONE/EXT.
PRESENT ADDRESS (Street - City - State - Zip)	<input type="checkbox"/> OWN <input type="checkbox"/> RENT LENGTH AT RESIDENCE
PREVIOUS ADDRESS (Street - City - State - Zip)	<input type="checkbox"/> OWN <input type="checkbox"/> RENT LENGTH AT RESIDENCE
COMPLETE FOR JOINT CREDIT, SECURED CREDIT OR IF YOU LIVE IN A COMMUNITY PROPERTY STATE: <input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED <input type="checkbox"/> UNMARRIED (Single - Divorced - Widowed)	
EMPLOYMENT/INCOME	
NAME AND ADDRESS OF EMPLOYER	
TITLE/GRADE	START DATE HOURS AT WORK
SUPERVISOR'S NAME	IF SELF EMPLOYED, TYPE OF BUSINESS
NOTICE: ALIMONY, CHILD SUPPORT, OR SEPARATE MAINTENANCE INCOME NEED NOT BE REVEALED IF YOU DO NOT CHOOSE TO HAVE IT CONSIDERED.	
EMPLOYMENT INCOME \$ _____ Per _____	OTHER INCOME \$ _____ Per _____
<input type="checkbox"/> NET <input type="checkbox"/> GROSS	SOURCE
MILITARY: IS DUTY STATION TRANSFER EXPECTED DURING NEXT YEAR? <input type="checkbox"/> YES <input type="checkbox"/> NO WHERE _____ ENDING/SEPARATION DATE _____	
PREVIOUS EMPLOYER NAME AND ADDRESS IF EMPLOYED LESS THAN FIVE YEARS	STARTING DATE _____ ENDING DATE _____
REFERENCE	RELATIONSHIP
NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU	HOME PHONE

OTHER	<input type="checkbox"/> CO-APPLICANT <input type="checkbox"/> SPOUSE <input type="checkbox"/> OTHER
NAME	
MOTHER'S MAIDEN NAME	ACCOUNT NUMBER
SOCIAL SECURITY NUMBER	DRIVER'S LICENSE NUMBER/STATE
AGES OF DEPENDENTS	EMAIL ADDRESS
BIRTH DATE	HOME PHONE BUSINESS PHONE/EXT.
PRESENT ADDRESS (Street - City - State - Zip)	<input type="checkbox"/> OWN <input type="checkbox"/> RENT LENGTH AT RESIDENCE
PREVIOUS ADDRESS (Street - City - State - Zip)	<input type="checkbox"/> OWN <input type="checkbox"/> RENT LENGTH AT RESIDENCE
COMPLETE FOR JOINT CREDIT, SECURED CREDIT OR IF YOU LIVE IN A COMMUNITY PROPERTY STATE: <input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED <input type="checkbox"/> UNMARRIED (Single - Divorced - Widowed)	
EMPLOYMENT/INCOME	
NAME AND ADDRESS OF EMPLOYER	
TITLE/GRADE	START DATE HOURS AT WORK
SUPERVISOR'S NAME	IF SELF EMPLOYED, TYPE OF BUSINESS
NOTICE: ALIMONY, CHILD SUPPORT, OR SEPARATE MAINTENANCE INCOME NEED NOT BE REVEALED IF YOU DO NOT CHOOSE TO HAVE IT CONSIDERED.	
EMPLOYMENT INCOME \$ _____ Per _____	OTHER INCOME \$ _____ Per _____
<input type="checkbox"/> NET <input type="checkbox"/> GROSS	SOURCE
MILITARY: IS DUTY STATION TRANSFER EXPECTED DURING NEXT YEAR? <input type="checkbox"/> YES <input type="checkbox"/> NO WHERE _____ ENDING/SEPARATION DATE _____	
PREVIOUS EMPLOYER NAME AND ADDRESS IF EMPLOYED LESS THAN FIVE YEARS	STARTING DATE _____ ENDING DATE _____
REFERENCE	RELATIONSHIP
NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU	HOME PHONE

WHAT YOU OWE	CREDITOR NAME OTHER THAN THIS CREDIT UNION (Attach additional sheet(s) if necessary)	INTEREST RATE	PRESENT BALANCE	MONTHLY PAYMENT	OWED BY	
					APPLICANT	OTHER
<input type="checkbox"/> RENT <input type="checkbox"/> FIRST MORTGAGE (incl. Tax & Ins.)			\$	\$		
2nd MORTGAGE			\$	\$		
1st AUTO LOAN			\$	\$		
2nd AUTO LOAN			\$	\$		
CHILD-CARE			\$	\$		
CHILD SUPPORT			\$	\$		
CREDIT CARD			\$	\$		
CREDIT CARD			\$	\$		
OTHER			\$	\$		
OTHER			\$	\$		
LIST ANY NAMES UNDER WHICH YOUR CREDIT REFERENCES AND CREDIT HISTORY CAN BE CHECKED:			TOTALS	\$	\$	

0.00 0.00

WHAT YOU OWN	LIST LOCATION OF PROPERTY OR FINANCIAL INSTITUTION	MARKET VALUE	PLEGGED AS COLLATERAL FOR ANOTHER LOAN		OWNED BY	
			YES	NO	APPLICANT	OTHER
HOME		\$				
AUTO		\$				
SAVINGS		\$				
CHECKING		\$				
OTHER (Describe)		\$				

OTHER INFORMATION ABOUT YOU	IF YOU ANSWER "YES" TO ANY QUESTION OTHER THAN #1, EXPLAIN ON AN ATTACHED SHEET	APPLICANT	OTHER
1. ARE YOU A U.S. CITIZEN OR PERMANENT RESIDENT ALIEN?		<input type="checkbox"/>	<input type="checkbox"/>
2. DO YOU CURRENTLY HAVE ANY OUTSTANDING JUDGMENTS OR HAVE YOU EVER FILED FOR BANKRUPTCY, HAD A DEBT ADJUSTMENT PLAN CONFIRMED UNDER CHAPTER 13, HAD PROPERTY FORECLOSED UPON OR REPOSSESSED IN THE LAST 7 YEARS, OR BEEN A PARTY IN A LAWSUIT?		<input type="checkbox"/>	<input type="checkbox"/>
3. IS YOUR INCOME LIKELY TO DECLINE IN THE NEXT TWO YEARS?		<input type="checkbox"/>	<input type="checkbox"/>
4. ARE YOU A CO-MAKER, CO-SIGNER OR GUARANTOR ON ANY LOAN NOT LISTED ABOVE? FOR WHOM (Name of Others Obligated on Loan):	TO WHOM (Name of Creditor):	<input type="checkbox"/>	<input type="checkbox"/>

STATE LAW NOTICES **OHIO RESIDENTS ONLY:** The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

unless the Credit Union is furnished a copy of the agreement, statement or decree, or has actual knowledge of its terms, before the credit is granted or the account is opened. (2) Please sign if you are **not** applying for this account or loan with your spouse. The credit being applied for, if granted, will be incurred in the interest of the marriage or family of the undersigned.

WISCONSIN RESIDENTS ONLY: (1) No provision of any marital property agreement, unilateral statement under Section 766.59, or court decree under Section 766.70 will adversely affect the rights of the Credit Union

SIGNATURE FOR WISCONSIN RESIDENTS ONLY DATE

SIGNATURES

You promise that everything you have stated in this application is correct to the best of your knowledge and that the above information is a complete listing of what you owe. If there are any important changes you will notify us in writing immediately. You authorize the Credit Union to obtain credit reports in connection with this application for credit and for any update, increase, renewal, extension or collection of the credit received. You understand that the Credit Union will rely on the information in this application and your credit report to make its decision. If you request, the Credit Union will tell you the name and address of any credit bureau from which it received a credit report on you. It is a federal crime to willfully and deliberately provide incomplete or incorrect information on loan applications made to federal credit unions or state chartered credit unions insured by NCUA.

<input checked="" type="checkbox"/> (SEAL)	<input checked="" type="checkbox"/> (SEAL)
APPLICANT'S SIGNATURE DATE	OTHER SIGNATURE DATE

FOR CREDIT UNION USE ONLY

DATE	APPROVED	APPROVED LIMITS:	SIGNATURE	LINE OF CREDIT	OTHER	OTHER	DEBT RATIO/SCORE BEFORE	AFTER
	DENIED (Adverse Action Notice Sent)	\$	\$	\$	\$			

LOAN OFFICER COMMENTS:

SIGNATURES:
 DATE DATE

Open-End Plan Signatures **PLUS**

BORROWER 1 NAME	ACCOUNT NUMBER
BORROWER 2 NAME	ACCOUNT NUMBER
CREDIT AND SECURITY AGREEMENT	

This LOANLINER Credit and Security Agreement, which includes the Truth in Lending Disclosures, will be referred to as "the Plan." The Plan documents include this agreement and an Addendum. "You", "your" and "borrower" mean any person who signs the Plan. "Credit union", "we", "our" and "us" mean the Credit Union whose name appears on the Plan or anyone to whom the Credit Union transfers its rights under the Plan. This is a multi-state document which may be used to lend to borrowers in all states except Louisiana.

1. HOW THIS PLAN WORKS -- This is an open-end, multi-featured credit plan. We anticipate that, from time to time, you will borrow money (called "advances") under the Plan. **We are not required to make advances to you under the Plan and can refuse a request for an advance at any time.** The Addendum describes the different types of credit (called "subaccounts") available under the Plan, the current interest rate for each subaccount expressed as a daily periodic rate and corresponding annual percentage rate 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 on certain subaccounts. If a credit limit is set for a subaccount, 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 Plan plus interest. Payments are due on the last day of the month unless we set a different day at the time of an advance. If the Addendum has no payment schedule for a subaccount, 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 for a subaccount. 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 sharedraft account, you will be responsible for paying all overdraft

advances obtained by a joint holder of the sharedraft account. Unless otherwise required by law, payments will be applied to amounts owed under the Plan, in the manner the Credit Union chooses.

4. PLAN ACCESS -- You can obtain credit advances in any manner authorized by us. If we allow you to use your ATM/Debit card to access the Plan, you may be liable for the unauthorized use of your ATM/Debit card. You will not be liable for unauthorized use that occurs after you notify us, orally or in writing, of the loss, theft, or possible unauthorized use. If you believe your ATM/Debit card has been lost or stolen, immediately inform the Credit Union by calling or writing us at the telephone number or address that appears elsewhere in the Plan. If the card is used to obtain unauthorized advances directly from the Plan, your liability will not exceed \$50.00. If the unauthorized withdrawal is from a sharedraft account, your liability is governed by the Regulation E disclosures you received at the time you received your ATM/Debit card, even if the withdrawal results in an advance being made from your overdraft subaccount.

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 balance under the Plan. 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 periodic 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 subtracted and any additions to the balance have been made. In addition to interest, we may charge other finance charges which are disclosed on the Addendum. If the interest rate is a variable interest rate, the Addendum explains how the variable interest rate works.

6. SECURITY -- You pledge as security for the Plan all shares and dividends and, if any, all deposits and interest in

(Continued on next page)

SIGNATURES

1. You have received and read the LOANLINER Credit and Security Agreement including the Addendum ("Agreement") and a Credit Insurance Certificate. By signing below you agree to be bound by the terms of the Agreement.
 2. **You grant us a security interest in all individual and joint share and/or deposit accounts you have with us now and in the future to secure what you owe under the**

LOANLINER Credit and Security Agreement. When you are in default, you authorize us to apply the balance in these accounts to any amounts due. Shares and deposits in an Individual Retirement Account, and any other account that would lose special tax treatment under state or federal law if given as security, are not subject to the security interest you have given in your shares and deposits.

X	(SEAL)
BORROWER 1 SIGNATURE	DATE

X	(SEAL)
BORROWER 2 SIGNATURE	DATE

CREDIT AND SECURITY AGREEMENT (continued)

all joint and individual accounts you have with us now and in the future. If a specific dollar amount is pledged for an advance, we will freeze shares in that account to the extent of the outstanding balance for the advance. Otherwise, your pledged shares may be withdrawn unless you are in default. **If credit union has a federal charter:** Statutory Lien -- If you are in default on a financial obligation to us, federal law gives us the right to apply the balance of shares and dividends in all individual and joint accounts you have with us to satisfy that obligation. After you are in default, we may exercise this right without further notice to you. (We have a federal charter if our name includes the term "Federal Credit Union.") **If credit union is state chartered, except in Ohio, Rhode Island, and Massachusetts:** We have a statutory lien on the shares and dividends and, if any, the deposits and interest in all individual and joint accounts you have with us and may exercise our rights under the lien to the extent permitted by state law. (We are state chartered if our name does not include the term "Federal Credit Union.") **For all borrowers: The statutory lien and/or your pledge will allow us to apply the funds in your account(s) to what you owe when you are in default.** The statutory lien and your pledge do not apply to any Individual Retirement Account or any other account that would lose special tax treatment under state or federal law if given as security.

Additional security for the Plan may be required at the time of an advance. If a subaccount identifies a type of property (such as "New Cars") you must give that type of property as security when you get an advance under that subaccount. A subaccount name such as "Other Secured" means you must provide security acceptable to us when you obtain an advance under that subaccount. Property you give as security will secure all amounts owed under the Plan and all other loans you have with us now or in the future, except any loan secured by your principal dwelling. Property securing other loans you have with us may also secure the Plan.

7. CREDIT INSURANCE -- Credit life and/or credit disability insurance is optional under the Plan. If you qualify for and purchase the insurance from us, you authorize us to add the insurance premiums monthly to your loan balance and charge you interest on the entire balance. If you elect credit insurance, your payments may increase or the period of time necessary to repay your advance may be extended. The credit insurance rates may change during the Plan. If the rates change, we will provide any notices required by applicable law.

8. PERIODIC STATEMENT -- On a regular basis you will receive a statement showing all transactions under the Plan 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. That means we can enforce our rights under the Plan 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). Any joint accountholder may terminate the Plan by giving us prior written notice. If any of you

terminate the Plan, the Plan is terminated for all of you. You remain liable individually and jointly for all advances incurred before termination.

10. FEES AND CHARGES -- If you give us a security interest in certain types of property, we may charge you a filing fee to perfect our interest in the property. If we do, the amount of the fee will be disclosed to you at the time you obtain an advance. We may also charge you other fees in connection with the Plan. Our current fees are disclosed on the Addendum and will be added to your loan balance unless you pay them in cash.

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. DEFAULT -- *The following paragraph applies to borrowers in Idaho, Kansas, Maine and state chartered credit unions lending to South Carolina borrowers:* You will be in default if you do not make a payment of the amount required when it is due. You will also be in default if we believe the prospect of payment, performance, or realization on any property given as security is significantly impaired.

The following paragraph applies only to borrowers in Wisconsin: You will be in default if you fail to make a payment when due two times during any 12 month period. You will be in default if breaking any promise made under the Plan materially impairs your ability to repay what you owe or materially impairs the condition, value, or protection of or our right in any property you gave as security.

The following paragraph applies only to borrowers in Iowa: You will be in default if you are more than 10 days late in making a payment. You will also be in default if you do not comply with the terms of the Plan and your failure to comply materially impairs any property you gave as security or your ability to repay what you owe under the Plan.

The following paragraph applies to borrowers in all other states and federally chartered credit unions lending to South Carolina borrowers: 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 Plan or if anyone is in default under any security agreement made in connection with an advance under the Plan. You will be in default if you die, file for bankruptcy, become insolvent, if you make any 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 Plan if you are in default under any other loan agreement with us.

13. ACTIONS AFTER DEFAULT -- *The following paragraph applies to borrowers in Colorado, District of Columbia, Iowa, Kansas, Maine, Massachusetts, Missouri, Nebraska, West Virginia and state chartered credit unions lending to South Carolina borrowers:* When you are in default and after expiration of any right you have under applicable state law to cure your default, we can demand immediate payment of the entire unpaid balance under the Plan without giving you advance notice.

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CREDIT AND SECURITY AGREEMENT (continued)

The following paragraph applies to federally chartered credit unions lending to South Carolina borrowers and to borrowers in all other states except Wisconsin: When you are in default, we can require immediate payment (acceleration) of the entire unpaid balance under the Plan. You waive any right you have to demand for payment, notice of intent to accelerate and notice of acceleration.

The following paragraphs apply to borrowers in all states except Wisconsin: 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 or, if applicable, at the default rate disclosed on the Addendum. If a demand for immediate payment has been made, your shares and/or deposits can be applied towards what you owe as provided in the section above called "Security". We can also exercise any other rights given by law when you are in default.

You agree the Credit Union has the right to take possession of any property given as security under the Plan, without judicial process, if this can be done without breach of the peace. If we ask, you promise to deliver the property at a time and place we choose. We will not be responsible for any other property, not covered by this Agreement, that you leave inside the property or that is attached to the property. We will try to return that property to you or make it available to you to claim.

After we have possession of the property, we can sell it and apply the money to any amounts you owe us. We will give you notice of any public sale or the date after which a private sale will be held. Our expenses for taking possession of and selling the property will be deducted from the money received from the sale. Those costs may include the cost of storing the property, preparing it for sale and attorney's fees to the extent permitted under state law or awarded under the Bankruptcy Code. The rest of the sale money will be applied to what you owe under the Plan.

You will also have to pay any amount that remains unpaid after the sale money has been applied to any unpaid balance under the Plan. You agree to pay interest on that amount at the same rate as the advance, or, if applicable, at the default rate disclosed on the Addendum, until that amount has been paid.

The following paragraph applies only to Wisconsin borrowers: When you are in default and after expiration of any right you have under applicable state law to cure your default, we may require immediate payment of your outstanding loan balance under the Plan and seek possession of property given as security. You may voluntarily give the property to us if you choose, or we may seek to take possession of the property by judicial process. If we repossess the property, you agree to pay reasonable expenses incurred in disposing of the property. If the property is a motor vehicle, mobile home, trailer, snowmobile, boat or aircraft, you will also be required to pay any costs permitted by Section 422.413 of the Wisconsin Statutes.

14. CANCELLING OR CHANGING THE PLAN -- The following paragraph applies only to state chartered credit unions lending to Illinois borrowers: We have the right to change the terms of the Plan from time to time after giving you any advance notice required by law. Any change to the interest rate or other charges will apply to future advances.

The following paragraph applies only to borrowers in Wisconsin: We can change the terms of the Plan from time

to time in accordance with Section 422.415 of the Wisconsin Statutes. You will be notified of any change in terms. An increase in the daily periodic rate under a variable rate interest rate is not considered a change in terms under the Plan. We can cancel the entire Plan or any part of the Plan at any time. You may cancel the Plan at any time by giving us prior written notice. Your obligation to pay the unpaid balances under the terms of the Plan continues whether you or the credit union cancel the Plan, except to the extent that your liability is limited by Section 422.4155 of the Wisconsin Statutes.

The following paragraph applies only to borrowers in Iowa: We can change the terms of the Plan from time to time after giving you any advance notice required by law. A change that increases the rate of finance charge or other charge, that increases the amount of your payments, or that otherwise adversely affects existing balances will apply to existing balances only if you agree to the change or you use the Plan after receiving notice that your use of the Plan means you agree the change applies to existing balances.

The following paragraph applies to borrowers in all other states and federally chartered credit unions lending to Illinois borrowers: We have the right to change the terms of the Plan from time to time after giving you any advance notice 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.

The following paragraph applies to all but Wisconsin borrowers: An increase in the daily periodic rate under a variable interest rate is not considered a change in terms under the Plan. We can cancel the entire Plan or any part of the Plan at any time. You may cancel the Plan at any time by giving us prior written notice. Your obligation to pay the unpaid balances under the terms of the Plan continues whether you or the Credit Union cancel the Plan.

Paragraphs 15 through 23 apply to any property you give as security.

15. THE SECURITY FOR THE PLAN -- You give us what is known as a security interest in all property described in any receipt, voucher or other document you receive for an advance ("the Advance"). The security interest you give includes all accessions. Accessions are things which are attached to or installed in the property now or in the future. The security interest also includes any replacements for the property which you buy within 10 days of the Advance or any extensions, renewals or refinancing of the Advance. It also includes any money you receive from selling the property or from insurance you have on the property. If the value of the property declines, you promise to give us more property as security if asked to do so.

16. WHAT THE SECURITY INTEREST COVERS -- The security interest secures the Advance described in the receipt, voucher or any other document you receive at the time of the Advance and any extensions, renewals or refinancings of the Advance. It also secures any other advances you have now or receive in the future under the Plan and any other amounts or loans, including any credit card loan, you owe us for any reason now or in the future, except any loan secured by your principal residence. If the property is household goods as defined by the Federal Trade Commission Credit Practices Rule, the property will secure only the Advance and not other amounts you owe.

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CREDIT AND SECURITY AGREEMENT (continued)

17. OWNERSHIP OF THE PROPERTY -- You promise that you own all property you give as security or if the Advance is to buy the property, you promise you will use the Advance for that purpose. You promise that no one else has any interest in or claim against the property that you have not already told us about. You promise not to sell or lease the property or to use it as security for a loan with another creditor until the Advance is repaid. You promise you will allow no other security interest or lien to attach to the property either by your actions or by operation of law.

18. PROPERTY INSURANCE, TAXES AND FEES -- You must maintain property insurance on all property that you give as security under the Plan. You may purchase the property insurance from anyone you choose who is acceptable to the Credit Union. The amount and coverage of the property insurance must be acceptable to us. You may provide the property insurance through a policy you already have, or through a policy you get and pay for. You promise to make the insurance policy payable to us and to deliver the policy or proof of coverage to us if asked to do so.

If you cancel your insurance and get a refund, we have a right to the refund. If the property is lost or damaged, we can use the insurance settlement to repair the property or apply it towards what you owe. You authorize us to endorse any draft or check which may be payable to you in order for us to collect any refund or benefits due under your insurance policy. You also promise to pay all taxes and fees (like registration fees) due on the property.

If you do not pay the taxes or fees on the property when due or keep it insured, we may pay these obligations, but we are not required to do so. Any money we spend for taxes, fees or insurance will be added to the unpaid balance of the advance and you will pay interest on those amounts at the same rate you agreed to pay on the advance. We may receive payments in connection with the insurance from a company which provides the insurance. We may monitor our loans for the purpose of determining whether you and other borrowers have complied with the insurance requirements of our loan agreements or may engage others to do so. The insurance charge added to an advance may include (1) the insurance company's payments to us and (2) the cost of determining compliance with the insurance requirements. If we add amounts for taxes, fees or insurance to the unpaid balance of an advance, we may increase your payments to pay the amount added within the term of the insurance or approximate term of the advance.

19. NOTICE -- If you do not purchase the required property insurance, the insurance we may purchase and charge you for will cover only our interest in the property. **The insurance will not be liability insurance and will not satisfy any state financial responsibility or no fault laws.**

20. PROTECTING THE SECURITY INTEREST -- If your state issues a title for the property, you promise to have our security

interest shown on the title. We may have to file what is called a financing statement to protect our security interest from the claims of others. If asked to do so, you promise to sign a financing statement. You promise to do whatever else we think is necessary to protect our security interest in the property. You promise to pay all costs, including but not limited to any attorney fees, we incur in protecting our security interest and rights in the property, to the extent permitted by applicable law.

21. USE OF PROPERTY -- Until the Advance has been paid off, you promise you will: (1) Use the property carefully and keep it in good repair. (2) Obtain our written permission before making major changes to the property or changing the address where the property is kept. (3) Inform us in writing before changing your address. (4) Allow us to inspect the property. (5) Promptly notify us if the property is damaged, stolen or abused. (6) Not use the property for any unlawful purpose.

22. NOTICE TO NORTH DAKOTA BORROWERS PURCHASING A MOTOR VEHICLE -- THE MOTOR VEHICLE IN THIS TRANSACTION MAY BE SUBJECT TO REPOSSESSION. IF IT IS REPOSSESSED AND SOLD TO SOMEONE ELSE, AND ALL AMOUNTS DUE TO THE SECURED PARTY ARE NOT RECEIVED IN THAT SALE, YOU MAY HAVE TO PAY THE DIFFERENCE.

23. NOTICE FOR ARIZONA OWNERS OF PROPERTY -- It is unlawful for you to fail to return a motor vehicle that is subject to a security interest, within thirty days after you have received notice of default. The notice will be mailed to the address you gave us. It is your responsibility to notify us if your address changes. The maximum penalty for unlawful failure to return a motor vehicle is one year in prison and/or a fine of \$150,000.

24. DELAY IN ENFORCING RIGHTS AND CHANGES IN THE PLAN -- We can delay enforcing any of our rights under this Plan any number of times without losing the ability to exercise our rights later. We can enforce this Plan against your heirs or legal representatives. If we change the terms of the Plan, you agree that this Plan will continue to protect us.

25. CONTINUED EFFECTIVENESS -- If any part of this Plan is determined by a court to be unenforceable, the rest will remain in effect.

26. NOTICE TO UTAH BORROWERS -- This written agreement is a final expression of the agreement between you and the Credit Union. This written agreement may not be contradicted by evidence of any oral agreement.

27. The following is required by Vermont law -- NOTICE TO CO-SIGNER -- YOUR SIGNATURE ON THIS NOTE MEANS THAT YOU ARE EQUALLY LIABLE FOR REPAYMENT OF THIS LOAN. IF THE BORROWER DOES NOT PAY, THE LENDER HAS A LEGAL RIGHT TO COLLECT FROM YOU.

YOUR BILLING RIGHTS

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 STATEMENT. If you think your statement is wrong, or if you need more information about a transaction on your

statement, write us on a separate sheet at the address listed on your statement. Write to us as soon as possible. We must hear from you no later than 60 days after we sent you the first statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

YOUR BILLING RIGHTS (continued)

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 a credit card account automatically from your share account or share draft 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 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 send statements to 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 statement that are not in question.

If we find that we made a mistake on your 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 days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your 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 don't follow these rules, we can't collect the first \$50 of the questioned amount, even if your statement was correct.

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

These limitations do not apply if we own or operate the merchant, or if we mailed you the advertisement for the property or services.

CREDIT INSURANCE

You can protect your financial future by signing up for voluntary credit insurance below. Enroll by simply indicating your preference in the "Credit Insurance Application" section below. Your credit union will be happy to explain the various insurance options and coverage. The cost is reasonable.



CUNA MUTUAL GROUP

CUNA Mutual Insurance Society

P.O. Box 391 • 5910 Mineral Point Road
Madison, WI 53701-0391
Phone: 800/937-2644

CREDIT INSURANCE APPLICATION & SCHEDULE

"You" or "Your" means the member and the joint insured (if applicable).

Credit insurance is voluntary and not required in order to obtain your loan. You may select any insurer of your choice. You have established an open-end Loan Plan with the Credit Union. Your Loan Plan may consist of one or more Loans. You are applying to the Society for credit insurance. You authorize the charges for insurance to be added to your Loan Balance each month and understand that interest will accrue on these charges the same as it accrues on amounts of advances which are added to your Loan Balance.

DO NOT SIGN THIS APPLICATION IF IT CONTAINS ANY BLANK SPACES. This application is void and will not be used in a contest if all blank spaces have not been completed, if the member has not signed and dated the Application, and if the Application has not been witnessed.

NOTE: The insurance you're applying for contains certain terms and exclusions; Refer to your certificate for coverage details.

MEMBER	MEMBER'S DATE OF BIRTH	ACCOUNT NUMBER	DATE OF ISSUE OF THIS CERTIFICATE	GROUP POLICY NUMBER
				037-1151-6
JOINT INSURED MEMBER	JOINT INSURED'S DATE OF BIRTH	ACCOUNT NUMBER	SECONDARY BENEFICIARY (IF YOU DESIRE TO NAME ONE)	

THE FOLLOWING STATEMENTS MADE BY YOU ARE REPRESENTATIONS AND ARE TRUE TO THE BEST OF YOUR KNOWLEDGE AND BELIEF:

CREDIT DISABILITY INSURANCE

YES	NO	COVERAGE SELECTED	PREMIUM SCHEDULE
		SINGLE CREDIT DISABILITY	SEE SEPARATE RATE SCHEDULE
		ON THIS DATE, ARE YOU PHYSICALLY WORKING FOR A SALARY OR WAGES A MINIMUM OF 25 HOURS A WEEK?	
		ARE YOU UNDER AGE <u>65</u> ?	MAXIMUM AGE FOR INSURANCE NONE
MAXIMUM MONTHLY TOTAL DISABILITY BENEFIT		UNDER CREDIT LIFE & DISABILITY THE MAXIMUM ELIGIBILITY AGE FOR COVERAGE IS 65, WITH NO MAXIMUM TERMINATION AGE.	
\$ 850.00			
If you are totally disabled for more than <u>14</u> days, then the disability benefit will begin with the <u>1st</u> day of disability.			
SIGNATURE OF MEMBER (Be sure to check one of the boxes above.)			DATE
X			
WITNESS			DATE
X			

APP. 801-0786PA

CREDIT LIFE INSURANCE

YES	NO	COVERAGE SELECTED	
		SINGLE CREDIT LIFE	COST PER \$ 100 OF YOUR MONTHLY LOAN BALANCE \$ 0.057
		JOINT CREDIT LIFE	COST PER \$ 100 OF YOUR MONTHLY LOAN BALANCE \$ 0.099
		ARE YOU UNDER AGE <u>65</u> ?	MAXIMUM AGE FOR INSURANCE NONE
MAXIMUM INSURABLE BALANCE PER LOAN ACCOUNT		UNDER CREDIT LIFE & DISABILITY THE MAXIMUM ELIGIBILITY AGE FOR COVERAGE IS 65, WITH NO MAXIMUM TERMINATION AGE.	
\$ 50,000.00			
SIGNATURE OF MEMBER (Be sure to check one of the boxes above.)			DATE
X			
SIGNATURE OF JOINT INSURED MEMBER			DATE
X			
WITNESS			DATE
X			

APP. 811-0786PA



CUNA Mutual Insurance Society

P.O. Box 391 ▪ 5910 Mineral Point Road ▪ Madison, WI 53701-0391
Phone: 800/937-2644

(Called We)

LOANLINER.

CERTIFICATE OF INSURANCE Single/Joint Credit Life

Within 15 days after you receive this Certificate, you have the right to return the Certificate to the Credit Union for cancellation and any premium paid by you will be immediately returned.

We certify that while we are paid the premium for the Group Policy by the Credit Union as they become due each month, you are insured for the coverage marked in the Schedule, subject to the terms of the Group Policy issued to the Credit Union.

DEFINITIONS

Here is what we mean when we use the following terms in this certificate.

Advance means an advance of proceeds under a loan agreement from the credit union to one of its members.

Certificate means the Certificate of Insurance issued to a person insured under this Policy for a loan.

He, Him or His means also she, her or hers.

Joint Insured means the member under joint life coverage who is the co-borrower or co-maker of a loan and who also applied for the insurance.

Loan Date means the date the proceeds of your loan are paid to you and a debt is created.

Loan Payment means an installment of principal and interest on a loan as required by the terms of the promissory note.

Member means a natural person who is borrowing from the credit union.

Monthly Premium Charge means the amount of premium paid by you to keep the insurance on your loan in force to the next premium date.

Premium Charge Date means the date a monthly premium charge is added to the principal balance of your loan to keep your insurance in force.

Principal Balance means the unpaid balance of your loan, excluding any earned or unearned loan interest.

Unpaid Interest means the unpaid interest which is due on your loan to the date of loss under this Policy.

We, Us or The Society means the CUNA Mutual Insurance Society.

You or The Credit Union means the policyholder credit union.

BENEFITS

Benefits are paid to your Credit Union to pay off or reduce your loan. If the benefits are more than the balance of your loan, the difference will be paid to the Beneficiary named by you, if any, or to your estate. Our payment will completely discharge our liability to the extent of the payment.

Death Benefit. If you or your joint insured dies (whichever occurs first) while you are insured for life coverage, we will pay the unpaid insured principal balance of your loan on the date of your death, plus not more than three (3) months unpaid interest on your loan to that date, not to exceed the Maximum Amount of Life Insurance stated in your Application.

Joint Life Insurance. The Amount of Life Insurance benefit applies to the first of you or your joint insured to die. The joint life insurance benefit will not exceed the amount of insurance which would be paid if coverage were provided on a single life. Only one death benefit, however, will be paid and insurance on the survivor will terminate.

Simultaneous Death. If both you and your joint insured die simultaneously, we will presume that you died first.

EXCLUSIONS AND RESTRICTIONS

Misstated Age. If you or your joint insured stated you are under the Maximum Age for Insurance but you are not, we will, subject to the Incontestability provision, return your premium when we discover this and we will not pay any benefits. If coverage is contested with respect to one of the joint insureds, the appropriate portion of the premium will be returned and coverage on the other joint insured will continue on a single life basis. The refund will equal the difference between the premium actually charged for the joint life coverage and the premium that would have been charged if only single life coverage had been provided at the time the insurance was issued. This Certificate will then be replaced with a single life certificate.

WHEN INSURANCE STOPS

This insurance automatically stops:

1. on the last day of the month in which we receive your written request to stop the insurance, or if earlier,
2. on the last day of the month in which you withdraw your authorization for the addition of charges for the insurance to your loan, or
3. on the last day of the month during which you reach the Maximum Age for Insurance, provided there is no valid claim in progress, or
4. on the date your loan stops, or
5. on the last day of the month during which you are three (3) months delinquent in your loan payment or any monthly premium charge, or
6. on the date the Group Policy stops, or
7. on the date your loan is transferred to a creditor other than the credit union.

CERTIFICATE OF INSURANCE

(Continued)

WHAT THE CONTRACT IS AND HOW YOUR STATEMENTS AFFECT IT

The Group Policy and the Application for the Group Policy, are the complete contract of insurance. All statements made by you in your Application are considered representations and to have been made to the best of your knowledge and belief. No statement can be used to void this insurance or deny a claim unless that statement is in your signed Application and a copy has been given to you or your beneficiary. After two years during your lifetime from the Date of the Application, no statement made by you in your Application can be used to void this insurance or deny a claim unless that statement was made fraudulently. If we accept premium from the Credit Union for charges for insurance issued to you when you were 70 years of age or older, or for insurance issued over the maximum amount, insurance will be in effect until the next Premium Charge Date regardless of the error. When we discover the error, we may, without prejudice to any pending claim, refuse to renew your insurance or we may adjust the premium we accept to the correct amount for any new period of insurance.

HOW TO FILE A CLAIM

We must be given a completed claim report, a copy of the member's loan records, the insurance application/certificate and a certified copy of the death certificate as proof of a life insurance claim.

CONFORMITY WITH STATE STATUTES

Any part of the Group Policy which, on the Effective Date of the Group Policy, conflicts with the statutes of the state where the Group Policy was delivered is changed to conform to the minimum standards of those statutes.

Within 15 days after you receive this Certificate, you have the right to return the Certificate to the credit union for cancellation and any premium paid by you will be immediately returned.

We certify that while we receive the premium from the credit union when it is due and while your election to be insured under the Group Policy is in effect, you are insured under the Group Policy (herein called "the Policy") subject to its terms and conditions.

While this certificate summarizes the important provisions of the Policy in some detail, the actual terms and provisions of the Policy will prevail in any contest. You may inspect the Policy at the Credit Union office anytime during their business hours.

DEFINITIONS

Here is what we mean when we use the following terms in this certificate.

At Work For Pay means physically working for salary or wages a minimum of 25 hours per week and does not include pension benefits, income from investments, household allowance or any other income not resulting from gainful employment.

Gross Balance means the sum of the Periodic Loan Payments remaining to be paid on a loan.

Loan means a loan to you under your Loan Plan for which you are insured under the Policy. If a new advance is added to your existing loan, loan means the balance of your loan after the advance is added. If you owe a balance on more than one loan under your Loan Plan, such as for both a personal signature loan and for a car loan, each sub-loan is considered a separate loan to you. Also, if you have two or more sub-loans of the same class, such as for two or more car loans, each car loan is considered a separate loan.

Loan Balance or Balance of Loan means the balance of principal owing by you on a loan under your Loan Plan, excluding any earned or unearned loan interest.

Loan Plan means the consumer credit disclosure form, promissory note and security agreement you signed to establish your open-end loan with the Credit Union.

New Period of Total Disability means either

1. a period of total disability which results from the same or a related health condition that caused a previous period of total disability when the two periods of total disability are separated by a recovery period of at least 7 days, or
2. a period of total disability which results from a health condition unrelated to the health condition which caused a previous or existing period of total disability.

In case of (2), if the new period of total disability runs concurrently with an existing period of total disability, subject to the pre-existing health condition exclusion and other terms of this Policy, we will pay the higher benefit, if any, to which you are entitled during the new period of your total disability.

Periodic Loan Payment means the minimum payment of principal and interest which is required to be paid at regular intervals on a loan.

Premium Charge Date means the date of the month charges for insurance are calculated and added to your Loan Balance.

Projected Loan Term means the term in months it will take to reduce the Loan Balance to zero at a given interest rate if no further advances are added to the loan and all Periodic Loan Payments are made on time.

Rate Schedule means the Schedule of Monthly Renewable rates of insurance charge shown as part of this certificate.

Total Disability during the first 12 consecutive months of disability means that you are not able to perform substantially all of the duties of your occupation on the date your disability commenced because of a medically determined sickness or accidental bodily injury. After the first 12 consecutive months of disability, the definition changes and requires you to be unable to perform any of the duties of your occupation or any occupation for which you are reasonably qualified by education, training or experience.

We, Us, or Our means the CUNA Mutual Insurance Society.

You or Your means you, the member whose name appears in the Insurance Schedule as the Insured Member.

INSURED MEMBERS-- WHEN INSURANCE STARTS

Eligible Members. Only those members who are At Work For Pay and have incomes to protect, and who are under 66 years of age are eligible for this insurance. Members who are retired, who are homemakers, who are volunteers or who have other non-paying jobs are not eligible to apply for this insurance.

Insured Members. An eligible member who applies for this insurance and who gives the Credit Union written authorization to add the charges for the insurance to his Loan Balance as they become due is insured under the Policy. After your application is accepted and your certificate of insurance has been issued, you continue to be eligible for insurance under the Policy for the advances added to your Loan Balance whether or not you are actually At Work For Pay on the date of an advance. However if you are off work due to total disability, we will not include in any payment of insurance benefits the advances which are added to your Loan Balance during the period of your total disability. Subject to the pre-existing health condition exclusion and other terms of the Policy, those advances if remaining unpaid, will be included in our payment of insurance benefits for any new period of total disability.

When Insurance Starts. The date of issue of your certificate under the Policy is the date your application for insurance was accepted and is the date on which your insurance starts.

The certificate will remain in force until the insurance terminates in accordance with the "When Insurance Stops" provision. While the certificate is in force, you will be entitled to insurance benefits according to the terms of the Policy.

BENEFITS

Benefits are paid to your Credit Union to pay off or reduce your loan. If the benefits are more than the amount needed to pay off your Loan Balance, the difference will be paid to you if you are living or to the Beneficiary named by you, if any, or to your estate. Our payment will completely discharge our liability to the extent of the payment.

Total Disability Insurance Benefit. We will pay a benefit if you file written proof that you became totally disabled while insured and continue to be totally disabled for longer than the period stated in the Schedule. Payment will be calculated beginning with the day shown in the Schedule.

The monthly benefit amount for each insured loan under your Loan Plan will be equal to the Periodic Loan Payment required on that Loan on or after the date you became disabled. For a partial month, each daily benefit will be equal to 1/30th of the monthly benefit. The maximum insurance benefit we will pay each month for each loan under your Loan Plan is shown in the Insurance Schedule.

Our benefit payments will stop on the date:

1. You are not totally disabled any more, or if earlier,
2. the Gross Balance of your Loan is zero.

EXCLUSIONS AND RESTRICTIONS

Misstated Age. If you stated you are under the Maximum Age for Insurance, but you are not, we will subject to the Incontestability provision, return your premium when we discover this and we will not pay any benefits.

Total Disabilities Not Covered. We won't pay an insurance benefit for the amount of any advance which is added to your Loan Balance if your total disability:

1. results from a normal pregnancy; or
2. commenced on or prior to the date the amount of any advance was added to your Loan Balance; or
3. results from any disease or bodily injury which totally disabled you at any time during the six (6) months immediately preceding the date the amount of such advance was added to your Loan Balance.

When Insurance Stops. Your insurance stops on the earliest of the following dates:

1. the date the Policy stops; or
2. on the date your Loan Plan stops; or
3. on the date you ask the Credit Union, in writing, to stop your insurance; or
4. on the date you cancel your authorization, in writing, to add the charges for insurance to your Loan Balance; or
5. when any Periodic Loan Payment under your Loan Plan is 90 days overdue; or
6. on the Premium Charge Date next following the date you reach your 66th birthday.

The stoppage of your insurance under items (3), (4), (5) and (6) shall be without prejudice to any claim for insurance benefits to which you may be entitled under the Disability Insurance Benefits section of this certificate. If the Policy stops and is not being replaced with similar insurance under a different policy, you will receive at least 30 days advance notice from the Credit Union.

WHAT THE CONTRACT IS AND HOW YOUR STATEMENTS AFFECT IT

All statements made by you in your Application are considered representations and to have been made to the best of your knowledge and belief. No statement can be used to void this insurance or deny a claim unless that statement is in your signed Application and a copy has been given to you or your beneficiary. After two (2) years during your lifetime from the Date of the Application, no statement made by you in your Application can be used to void this insurance or deny a claim unless that statement was made fraudulently.

If we accept premium from the Credit Union for charges for insurance issued to you when you were 66 years of age or older, or for insurance issued over the maximum amount, insurance will be in effect until the next Premium Charge Date regardless of the error. When we discover the error, we may, without prejudice to any pending claim, refuse to renew your insurance or we may adjust the premium we accept to the correct amount for any new period of insurance.

HOW TO CLAIM AN INSURANCE BENEFIT

Claims for insurance benefits under the Policy are filed by the Credit Union. If you become totally disabled, please notify the Credit Union as soon as reasonably possible. If for any reason the Credit Union does not help you, you may simply send us written proof of your disability. The proof must show the date and the cause of the total disability and how serious it is, and it must be signed by a physician or chiropractor. Do not send the proof until after the period of the total disability exceeds the elimination or waiting period. After that, we will periodically require proof of your continued disability.

You must send us this information not later than 90 days after the end of a period of total disability for which claim is made. If it is not possible to send the information within that time, send it as soon as it is reasonably possible for you to do so.

You may not bring any action at law or in equity against us earlier than 60 days after written proof of loss has been furnished to us. You may bring no action against us at all if it is not brought within three (3) years after the time proof of loss is required to be furnished.

We have the right to medically examine you, at our own expense, as often as we may reasonably require during the pendency of a claim.

PAYMENT OF INSURANCE CHARGES

You have authorized the Credit Union to add the charges for this insurance to the balance of your loan at interest as they become due. You may stop this insurance at the end of any month by advance written notice to the Credit Union.

We determine your insurance charge on the Premium Charge Date. We do this by multiplying the Gross Balance of each loan under your Loan Plan on that date times the appropriate rate from the Rate Schedule. We may change the rates from time-to-time. A change in rates will apply both to the existing balance of your loan and to amounts advanced on or after that date. If we increase the rates, the Credit Union will let you know ahead of time. If you don't want to pay the higher rate, you may notify the Credit Union in writing to stop your insurance before the new rates go into effect.

No further insurance charges will be collected beginning with the Premium Charge Date next following your 66th birthday.

CONFORMITY WITH STATE STATUTES

Any part of the Group Policy which, on the Effective Date of the Group Policy, conflicts with the statutes of the state where the Group Policy was delivered is changed to conform to the minimum standards of those statutes.

PHYSICAL EXAMINATION

We, at our own expense, have the right, and you must allow us the opportunity, to examine your person as often as is reasonably required while a claim is pending.



Penn State Federal GAP Insurance.

If all goes well, the car or truck you buy will be around for years. Unfortunately, things don't always go as planned. If a vehicle is stolen, accidentally damaged beyond repair or otherwise declared an insured total loss, auto insurance will cover only the replacement value. However, you remain liable for payment of the difference between the insurance settlement and the loan balance. This deficiency can easily amount to thousands of dollars.

GAP protection is an affordable way to fill the gap. For just a few dollars per month, members can protect themselves against this kind of unexpected expense.

What is GAP Insurance?

GAP Insurance insures Penn State Federal members for the amount still due to payoff their loan if the insurance company declares the car a total loss and pays less than the payoff of the loan due to Penn State Federal.

The policy will pay up to \$50,000 of the amount due and will reimburse the insurance deductible up to \$500. As an added benefit, members who finance their next vehicle with Penn State Federal can advance \$1,000 toward the purchase of that vehicle!

Any other Benefits?

Members achieve peace of mind. No financial burden from vehicle total loss. GAP insurance can also help to protect Penn State Federal member's credit rating because the member will have a down payment for their next vehicle if they finance it with Penn State Federal. The member can finance the GAP insurance premium into their car loan.

How much does GAP Insurance cost?

The regular GAP insurance premium is \$325. GAP for vehicles used for commercial purposes is also available. This cost can be financed into a member's loan.



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State College, PA 16803 ●
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