

special tax treatment under state or federal law if given as security are not subject to this security interest. When I am in default, you may apply the balance in these accounts to any amounts due under the credit card agreement.

11. **DEFAULT:** If I should fail to make any payments, or not meet any of the conditions of this loan, then you may, at your option, declare this loan 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 also agree to pay reasonable attorney's fees, not to exceed 33 1/3% of my outstanding line of credit. I also agree to pay any additional collection and court costs that you may incur.
12. I agree that you are authorized to make inquiries from time to time as you deem necessary as to my employment and credit history.
13. 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 the agreement.
14. The failure of you to exercise any of your rights under this agreement shall not be deemed to be a waiver of those rights.

Please keep a copy of this brochure to reference in the future.

YOUR BILLING RIGHTS

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, write to us at: Member Services, Family First of NY Federal Credit Union, 2520 Browncroft Boulevard, Rochester, NY 14625

In your letter, 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 bill, 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 Letter

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

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



www.familyfirstny.com

East Rochester Office
375 Fairport Rd.
East Rochester, N.Y. 14445

Henrietta Office
1225 Jefferson Road
Rochester, N.Y. 14623

Penfield Office
2520 Browncroft Blvd.
Rochester, N.Y. 14625

Webster Office
850 Ridge Rd.
Webster, N.Y. 14580

MoneyLine Credit Agreement

and

Truth-in-Lending Disclosure



MoneyLine Credit Agreement & Truth-in-Lending Disclosure

Interest Rate and Interest Charges	
APR	15.90%
Paying Interest	You will be charged interest from the transaction date.
Fees	
Annual Fee	None
Penalty Fees	
- Late Payment	2% or \$20, whichever is greater.
- Over-the-Credit Limit	None

How we will calculate your balance: We use a method called “average daily balance (including new purchases)”. The “average daily balance” method is described in detail below.

Billing Rights: Information on your rights to dispute transactions and how to exercise those rights is provided below.

IN THIS AGREEMENT THE WORDS “I”, “ME” AND “MY” mean all applicants who have signed the loan application for a MoneyLine credit loan (open end loan). The words “CU”, “YOU”, “YOUR” and “YOURS” will mean Family First of NY Federal Credit Union. All those whose signature appears on the loan application agree to use the loan proceeds for provident and productive purposes and agree with the Credit Union to the terms below. This agreement includes Truth-in-Lending Disclosures.

The MoneyLine Credit Plan is accessed by one or more of the following:

- Request by me for a loan advance, which can be deposited to a designated account or given to me in the form of a Family First of NY Federal Credit Union check.
- An overdraft on my sharedraft/checking account, to which this MoneyLine credit plan is tied, caused by an ATM withdrawal or a sharedraft/check for which there are insufficient funds.
- An overdraft on my sharedraft/checking account, to which this MoneyLine is tied, caused by a transaction with the VISA debit card for which there are insufficient funds.

- Upon approval, the credit union may from time to time make one or more advances to me and I may pay the a balance in full or in part at any time without penalty except that minimum periodic payments are required on each loan account regardless of any prepayments, as long as any balance is outstanding.
- The CU may change the periodic rate(s) or otherwise amend this agreement, or refuse any request for an advance at any time for any reason not prohibited by law. Notice of any change will be given in accordance with applicable law. Use of the MoneyLine credit loan plan after receiving notice of a change will indicate my agreement to the change. The CU may terminate this agreement upon adverse reevaluation of my credit worthiness, upon my failure to comply with the terms of this agreement, or at the option of the CU with reasonable cause. I may also terminate this agreement in writing

at any time, but doing so does not release me from any liability already incurred. Any adverse action does not affect my obligation to pay any balance outstanding in full.

- I promise to pay to you all monies borrowed, plus a FINANCE CHARGE. The FINANCE CHARGE is computed by multiplying the unpaid principal balance by a periodic (daily) rate and then multiplying that figure by the number of days since my last payment. If any advance is made to me between payments, you will compute the FINANCE CHARGE as outlined above from the date of my last payment until the date of the advance. Then using the new balance (old balance plus amount advanced), you will compute finance charges from the date of the advance to the next payment date. The actual FINANCE CHARGE will be shown on a periodic statement delivered to me. I promise to pay a FINANCE CHARGE (interest) of .0435% per day, which is the same as ANNUAL PERCENTAGE RATE of 15.9%.

If I elect a line of credit secured by shares on deposit equal to my credit limit my annual percentage rate will have a 3% margin above the dividend rate (index) declared on the account I am offering as collateral. The annual percentage rate can change on the first day of January, April, July and October. You will determine the annual percentage rate by adding the margin as stated above to the index. The index used will be the dividend rate on the shares offered as collateral, as of the last day of the quarter prior to the rate change date. There is no limit on the amount by which the annual percentage rate can change during any one-year period. The maximum annual percentage rate that can apply is 18% or the maximum permitted by law, whichever is less. An increase in rate will result in more payments of the same amount. Please refer to the approval letter accompanying this agreement for the current index.

The finance charge is computed by applying the monthly periodic rate to the average daily balance of advances. To get the average daily balance of advances, we take the beginning outstanding balance of advances each day, add in any new advances, and subtract any payments and/or credits that we apply to the balance. This gives us the daily balance of advances. Then, we add all the daily balances of advances for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the average daily balance of advances.

- The MINIMUM MONTHLY PAYMENT on each loan account that I agree to pay shall be 3.5% of the month end principal balance, but not less than \$15.00 per month or the balance owed, if less then \$15.00. I promise to pay my MINIMUM MONTHLY PAYMENT by the 30th day of each month. I also understand that you may change the minimum monthly payment to take effect the first due date following the month any advance is made. I also understand, any draws that go over my approved credit limit will be due immediately upon notification from the Credit Union.
- Each payment on a loan account will first be applied to the FINANCE CHARGE currently due and the remainder applied to the unpaid principal balance. Any unpaid portion of the finance charge will be paid by subsequent payments and not added to the

principal.

- LATE CHARGES: If the payment is received more than 10 days past due date, a late charge of 2% of the payment or \$20.00 whichever is greater will be accessed.
- SECURITY: You will not require me to give you any security (collateral) if the amount I have borrowed under this agreement after an advance is not more than my approved credit limit, except if my line of credit is secured by my shares on deposit in order to obtain a reduced APR, as described in 3 above.

However, if the sum I have borrowed under this agreement exceeds my approved credit limit, I MAY have to give you security that may take the form of one or a combination of the following:

- A co-signer or guarantor (someone who will pay if I don't).
 - The goods purchased with the borrowed funds.
 - An Assignment of my wages which shall be memorialized by my execution of an Assignment of Wages Form in conformity with Federal Trade Commission Regulations.
 - A security interest in collateral under the Uniform Commercial Code.
 - A pledge of shares and/or deposits.
- Any security interest acquired by you shall secure all monies borrowed or to be borrowed and shall remain in effect until the amount borrowed is less than the dollar amount indicated for security. Also, collateral securing other loans with this CU may also secure this loan; however, no interest in any dwelling given in any other agreement existing now or coming into existence in the future will secure the payment of any amount owing under this agreement regardless of the other agreement.
 - CO-APPLICANT'S LIABILITY: From time to time, you may advance sums under this agreement to more than one person, each of whom have signed this agreement. All persons, called applicants, agree to the following:
 - That the terms “I”, “ME”, “MY”, AND “MINE” apply to all.
 - That each is equally liable under this agreement to fulfill all its terms and conditions.
 - That each of them is named an agent of the other for the purpose of applying and receiving loan advances under this agreement now and in the future.
 - That any notice mailed to one is considered notice to all.

I understand that I may remove myself from the responsibility as a co-applicant at any time by notifying you in writing. However, that does not release me from any liability already incurred.

- PLEDGE OF SHARES AND DEPOSITS: A condition of my account is granting you a security interest in my share accounts. By signing the application I grant you a security interest in all individual and joint share and/or deposit accounts I have with you now and in the future to secure my MoneyLine account. I understand that shares and deposits in an Individual Retirement Account (IRA) and any other of my accounts that would lose