



Loan Express Plan

LOANLINER® Plan -- <input type="checkbox"/> Individual or <input type="checkbox"/> Joint Credit	MEMBER ACCOUNT NUMBER PLAN ID
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BORROWER 1 NAME	BORROWER 2 NAME
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SIGNATURES

1. **OPEN END CREDIT/SECURITY AGREEMENT** -- By signing below you acknowledge that you have received and read the LOANLINER® Credit and Security Agreement, including the Addendum and Supplemental Insurance Provisions ("Agreement") and agree to be bound by the terms of the Agreement. **You grant us security interest in all individual and joint shares 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.**

2. **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.

3. **FOR PUERTO RICO RESIDENTS -- NOTICE TO DEBTOR, YOU ARE HEREBY NOTIFIED THAT THE SECURED PARTY MAY AFTER AN EVENT OF DEFAULT TAKE POSSESSION OF COLLATERAL WITHOUT JUDICIAL PROCESS.**

X	
BORROWER 1 SIGNATURE	DATE

X	
BORROWER 2 SIGNATURE	DATE

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 Baxter Credit Union or anyone to whom the Credit Union transfers its rights under the Plan. Credit Card means a VISA or MasterCard subaccount which is part of this Plan.

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 or monthly periodic rate and corresponding annual percentage rate and other charges. It may also have other terms and a schedule for determining the payment amounts.

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.

REPAYMENT -You promise to repay all amounts you owe under the Plan plus interest. For all subaccounts except credit cards, 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.

For Credit Card Subaccounts: Each month you must pay at least the minimum payment shown on your statement by the date specified on the statement or no later than 25 days from the statement closing date, whichever is later. If your statement says the payment is "Now Due," your payment is due no later than 25 days from the statement closing date. You may pay more frequently, pay more than the minimum payment or pay the Total New Balance in full. If you make extra or larger payments, you are still required to make at least the minimum payment each month your Account has a balance (other than a credit balance). The minimum payment is 2% of your Total New Balance, or \$20.00, whichever is greater, plus the amount of any prior minimum payments that you have not made, and any amount you are over your credit limit. The Credit Union also has the right to demand immediate payment of any amount by which you are over your credit limit. Subject to applicable law, your payments may be applied to what you owe the Credit Union in any manner the Credit Union chooses.

PLAN ACCESS - You can obtain credit advances in any manner authorized by us. If we allow you to use your Credit/ATM/Debit card to access the Plan, you may be liable for the unauthorized use of your Credit/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 Credit/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. 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 Credit/ATM/Debit card, even if the withdrawal results in an advance being made from your overdraft subaccount.

You may use your Card to make purchases from merchants and others who accept VISA and MasterCard. If you wish to pay for goods or services over the Internet, you may be required to provide card number security information before you will be permitted to complete the transaction. In addition, you may obtain cash advances from the Credit Union and from other financial institutions that accept VISA and MasterCard, and from some automated teller machines (ATMs). (Not all ATMs accept VISA and MasterCard.) To obtain cash advances from an

ATM, you must use the Personal Identification Number (PIN) that is issued to you for use with your Card. You agree that you will not use your Card for any transaction that is illegal under applicable federal, state, or local law.

FINANCE CHARGE - For all subaccounts except credit cards, 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.

For Credit Card Subaccounts: For the Annual Percentage Rate and Monthly Periodic Rate that applies to your card, please refer to the Credit Card Approval Letter, Loan Express Plan Addendum or insert that accompanies this agreement. The member's APR may be reviewed and change every two (2) years based on credit history. We will notify you of a rate change in accordance with applicable law.

You have a 25 day grace period (no periodic FINANCE CHARGES will be added to your Account during this period) on your Credit Purchases balance and for new if you paid the Total New Balance for Credit Purchases on your last statement by the end of the grace period. You also have a 25 day grace period for new purchases if you did not have a Credit Purchases balance on your last statement. The grace period starts on the statement closing date. If you do not pay the Total New Balance for Credit Purchases by end of the grace period, periodic FINANCE CHARGES will accrue (a) on the unpaid purchase balance from the first day after the statement closing date and (b) on new purchase(s) from the later of the first day of the billing cycle in which the charge appears in your statement or the date of the transaction. Periodic FINANCE CHARGES accrue on a cash advance from the date of the advance (with no grace period).

The Periodic FINANCE CHARGES for a billing cycle are computed by applying the Monthly Periodic Rate to the average daily balance of Credit Purchases, which is determined by dividing the sum of the daily balances during the billing cycle by the number of days in the cycle. Each daily balance of Credit Purchases is determined by adding to the outstanding unpaid balance of Credit Purchases at the beginning of the billing cycle, any new Credit Purchases posted to your account, and subtracting any payments as received and credits as posted to your account, but excluding any unpaid Finance Charges.

Periodic FINANCE CHARGES will be imposed on Cash Advances from the date of the Cash Advance and will be calculated in the same manner as explained above for Credit Purchases.

SECURITY - You pledge as security for the Plan all shares and dividends and, if any, all deposits and interest in 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. In addition to your pledge of shares, we may also have what is known as a statutory lien on all individual and joint accounts you have with us. A statutory lien means we have the right under federal law and many state laws to claim an interest in your accounts. We can enforce a statutory lien against your shares and dividends, and if any, interest and deposits, in all individual and joint accounts you have with us to satisfy any outstanding financial obligation that is due and payable to us. We may exercise our right to enforce this lien without further notice to you, to the extent permitted by law. **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

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	Date
CREDIT AND SECURITY AGREEMENT (continued)	

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.

For Credit Card Subaccounts: If you give the Credit Union a specific pledge of shares, stock, or brokerage account by signing a separate pledge of shares, your pledged shares, stock, or brokerage account will secure your Account. You may not withdraw amounts that have been specifically pledged to secure your Account until the Credit Union agrees to release all or part of the pledged amount. In addition, your Account is secured by all other shares you have in any individual or joint account with the Credit Union, except for shares in an Individual Retirement Account or in any other account that would lose special tax treatment under state or federal law if given as security. These other shares may not be withdrawn unless you are in default under this agreement. You authorize the Credit Union to apply the balance in your individual or joint share accounts and to sell the pledged stock or brokerage account to pay any amounts due on your Account if you should default. Collateral securing other loans you have with the Credit Union may also secure this loan, except that a dwelling will never be considered as security for this Account, notwithstanding anything to the contrary in any other agreement.

PERIODIC STATEMENT - On a regular basis you will receive statements showing transactions under the Plan during the period covered by the statement. If you use your credit card subaccount you may receive a separate statement for that subaccount. 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.

LOAN PROTECTION - Loan Protection is voluntary and not required under the Plan. If you purchase Loan Protection from us, you authorize us to add the fees monthly to your loan balance and charge you interest on the entire balance. If you elect Loan Protection coverage, your payments may increase or the period of time necessary to repay the advance may be extended. The Loan Protection fees may change during the Plan. If the fees change, we will provide any notices required by applicable law.

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.

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.

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.

DEFAULT - The following paragraph applies to borrowers in Idaho, Kansas, Maine and South Carolina: 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: 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.

ACTIONS AFTER DEFAULT - The following paragraph applies to borrowers in Colorado, District of Columbia, Iowa, Kansas, Maine, Massachusetts, Missouri, Nebraska, South Carolina and West Virginia: 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.

The following paragraph applies to borrowers in all other states except Wisconsin and Louisiana: 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 and Louisiana: 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, or any other method authorized by applicable law. 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. You must pay any amount that remains unpaid after the sale money has been applied to what you owe under the Plan. You agree to pay interest on any unpaid amount at the same rate as the advance, or, if applicable, at the default rate disclosed on the Addendum, until that amount is paid. If the

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CREDIT AND SECURITY AGREEMENT (continued)

property is located outside Wisconsin at the time of default, we may take possession of the property without judicial process, if permitted by the state where the property is located.

The following paragraph applies only to Louisiana borrowers: 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. If immediate payment is demanded, you will continue to pay interest until what you owe has been repaid at the applicable interest rates in effect unless a default rate is disclosed on the Addendum. If a demand for immediate payment has been made, the shares and deposits given as security for the Plan can be applied towards what you owe. We can also exercise any other rights given by law when you are in default and our rights under any security agreements you have with us.

CANCELLING OR CHANGING THE PLAN - *The following paragraph applies only to borrowers in Illinois:* 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 existing balances and 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 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 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: 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.

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.

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

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.

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.

The following paragraphs apply to Credit Card Subaccounts: LIABILITY FOR UNAUTHORIZED USE-LOST/STOLEN NOTIFICATION - You agree to notify us immediately of the loss, theft, or unauthorized use of

your Credit Card in writing at Cardholder Services, 340 North Milwaukee Avenue, Vernon Hills, IL 60061 or orally via telephone (800) 449-7728 twenty-four (24) hours a day, seven (7) days a week. You may be liable for the unauthorized use of your Credit Card. Your liability will not exceed \$50. You will not be liable for unauthorized use that occurs after you notify us.

VISA. You will have no liability for unauthorized purchases made with your credit card, unless you are grossly negligent in the handling of your card.

MasterCard. If you exercise reasonable care in safeguarding your card from risk of loss or theft, have not reported two (2) or more incidents of unauthorized use in the last twelve (12) months, and if your account is in good standing, you will not be liable for any unauthorized purchase transactions.

RETURNS AND ADJUSTMENT - Merchants and others who honor your Card may give credit for returns or adjustments, and they will do so by sending the Credit Union a credit which will be posted to your Account. If your credits and payments exceed what you owe the Credit Union, the amount will be applied against future purchases and cash advances. If the credit balance amount is \$1 or more, it will be refunded upon your written request or automatically after six (6) months.

CURRENCY CONVERSION AND INTERNATIONAL TRANSACTION - Purchases and cash advances made in foreign currencies will be debited from your account in U.S. dollars.

Visa: When you use your Visa card at a merchant that settles in currency other than US dollars, the charge will be converted into the US dollar amount. The currency conversion rate used to determine the transaction amount in US dollars is either a rate selected by Visa from the range of rates available in wholesale currency markets for the applicable central processing date, which rate may vary from the rate Visa itself receives, or the government-mandated rate in effect for the applicable central processing date.

Visa USA charges us a .8% International Service Assessment on all international transactions, regardless of whether there is a currency conversion. If there is a currency conversion, the International Service Assessment is 1% of the transaction. As a result, we charge you a 1% international transaction fee on all international transactions regardless of whether there is a currency conversion. An international transaction is a transaction where the country of the merchant is outside the USA.

MasterCard: The exchange rate used to convert foreign currency transactions to U.S. Dollars is either a government-mandated exchange rate or a wholesale exchange rate and is selected by MasterCard. The rate MasterCard uses for a particular transaction is the rate MasterCard selects for the applicable currency on the day the transaction is processed. This rate may differ from the rate MasterCard receives and the rate applicable on the date the transaction occurred or was posted to your account.

MasterCard USA charges us a .8% International Service Assessment on all international transactions, regardless of whether there is a currency conversion. If there is a currency conversion, the International Service

Assessment is 1% of the transaction. As a result, we charge you a 1% international transaction fee on all international transactions regardless of whether there is a currency conversion. An international transaction is a transaction where the country of the merchant is outside the USA.

ILLEGAL TRANSACTIONS - Your Card may not be used for any illegal transactions. You agree, should such illegal use occur, to waive any right to sue the Credit Union for such illegal use or any activity directly or indirectly related to it and additionally you agree to indemnify and hold the Credit Union harmless from any suits or other legal action or liability, directly or indirectly, resulting from such illegal use.

MERCHANT DISPUTES - The Credit Union is not responsible for the refusal of any merchant or financial institution to honor your Card. The Credit Union is subject to claims and defenses (other than tort claims) arising out of goods or services you purchase with the Card if you have made a good faith attempt but have been unable to obtain satisfaction from the merchant or service provider, and (a) your purchase was made in response to an advertisement the Credit Union sent or participated in sending to you; or (b) your purchase cost more than \$50 and was made in your state or within one hundred (100) miles of your home.

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CREDIT AND SECURITY AGREEMENT

The following paragraphs apply if you give security in connection with an advance under the Plan. They apply to borrowers in all states except Louisiana. Louisiana borrowers will execute a separate security agreement. Borrowers in other states may also be asked to execute a separate security agreement.

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.

WHAT THE SECURITY INTEREST COVERS/CROSS COLLATERAL CLAUSE

- 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.

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.

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.

INSURANCE 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 premium for this insurance may be higher because the insurance company may have given us the right to purchase insurance after uninsured collateral is lost or damaged. **The insurance will not be liability insurance and will not satisfy any state financial responsibility or no fault laws.**

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. You irrevocably authorize us to execute (on your behalf), if applicable, and file one or more financing, continuation or amendment statements pursuant to the Uniform Commercial Code (UCC) in form satisfactory to us. 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.

LIMITED DURABLE POWER OF ATTORNEY - You hereby irrevocably appoint us and any and all of our agents acting on our behalf as your attorney-in-fact with full authority to execute and record any and all instruments, affidavits, certificates of title, applications for noting of liens on certificates of title, renewals, and other documents necessary to: (a) effect registrations, transfers of title, applications for title and notations of liens on certificates of title for any and all Collateral; (b) evidence our security interest in any and all Collateral; and (c) do such other things and take such other actions required to title, license and/or perfect our security interest in any and all Collateral. As used herein, the term "Collateral," means the property (or properties) described in the receipts, vouchers, and/or other documents that you have received and/or will receive in the future in connection with an Advance made under this agreement and/or Plan. The Limited Power of Attorney shall not terminate or otherwise be affected by our subsequent disability or incapacity. This Limited Power of Attorney is irrevocable until all your obligations under this contract are fully satisfied or until judgement is entered.

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. (7) Not to retitle property in another state without telling us.

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.

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

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YOUR BILLING RIGHTS -- KEEP THIS NOTICE FOR FUTURE USE

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.

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.

COLLATERAL PRODUCTS -- SUPPLEMENTAL INSURANCE PROVISIONS

The terms of your loan/lease agreement require that you obtain comprehensive and collision (physical damage) insurance against loss or damage (subject to a maximum deductible of \$1,000) on the personal property that is securing your loan or that is the subject of your lease ("collateral") in an amount sufficient to cover the credit union's interest in the collateral. This coverage is commonly referred to as comprehensive and collision insurance. You may obtain the insurance from any agent or company of your choice, subject to our reasonable approval. Please instruct your insurance agent to send a copy of the insurance policy, including an appropriate loss payable clause endorsement naming the credit union as the lienholder/loss payee, to the credit union.

WARNING: Unless you provide us with evidence of insurance coverage required by your loan/lease agreement with us, we may purchase insurance at your expense to protect our interest in your collateral. This insurance may, but need not, also protect your interest. If the collateral becomes damaged, the coverage that we purchase may not pay any claim that you make or any claim that is made against you in connection with the collateral. You may later cancel any insurance purchased by us, but only after providing us with the evidence that you have obtained acceptable insurance coverage elsewhere as required by your loan/lease agreement with us. If we purchase insurance for the collateral, you will be responsible for the costs of that insurance, including the insurance premium, interest or lease charges and any other charges, including tracking and administrative costs commissions, we may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The effective date of coverage may be the date your prior coverage lapsed or the date you failed to provide proof of acceptable insurance. **The costs of the insurance, and finance charges thereon, may be added to your total outstanding balance or obligation and the number and/or amount of your periodic payments may be increased to cover such premium charges.** If the cost of the insurance or any other charges imposed in connection with the placement of the insurance are added to your outstanding balance or obligation, the interest rate/lease charge on your underlying loan/lease agreement with us will apply to these added amounts. The costs of the insurance may be considerably more than the cost of insurance you may be able to obtain on your own. The coverage will not be liability insurance and will not satisfy any need for the property damage liability coverage or your obligations under any state's mandatory liability, financial responsibility or no fault laws. See the Security Agreement for additional information.

You hereby authorize the credit union to provide its insurance service center with the necessary information for verification of adequate

coverage. The terms of these Supplemental Insurance Provisions are hereby made a part of your loan/lease agreement and are binding upon you with the same effect as if they were set forth in such loan/lease agreement. You acknowledge that you have read and agree to the foregoing.

You understand and agree that in the event of your failure to provide acceptable evidence of required insurance, you will represent an increased risk, and therefore any insurance purchased by the credit union in such event:

1. Will provide a form of limited comprehensive and collision coverage which is primarily designed to protect only the credit union's interest in the collateral, subject to a deductible which may be waived for claims filed by the credit union. A claim settlement will never exceed the least of: (a) the net amount you owe on this loan/lease, (b) the actual cash value of the collateral at the time of loss (unless this loss settlement limit is deleted by loss settlement without actual cash value coverage), (c) the cost of repair or replacement of the collateral, or (d) the maximum limit of coverage.
2. Will not provide medical insurance, uninsured motorist, or underinsured motorist coverage.
3. Will be rated according to high risk criteria and according to the credit union's business address rather than your residence.
4. Will be effective and billed retroactively to the later of (i) the date of your loan/lease agreement and (ii) the earliest date on which, to the credit union's knowledge, you were without the requisite insurance, regardless of when the credit union actually put such insurance in place.
5. May, under certain conditions, provide for a partial refund of premium to you following repossession of the collateral.
6. May have a higher premium because the group policy of collateral protection insurance issued to the credit union may give it the right to purchase insurance after uninsured collateral is lost or damaged.

YOU UNDERSTAND THAT THE INSURANCE WHICH THE CREDIT UNION PURCHASES IS WITHOUT BENEFIT TO YOU INDIVIDUALLY BUT IS PRIMARILY FOR THE CREDIT UNION'S PROTECTION.

In the event you breach the terms of your loan/lease agreement by failing to provide acceptable evidence of required insurance coverage, any delay by the credit union in taking any action permitted hereunder or under the loan/lease agreement shall not be deemed a waiver of its right to take such action at any future time with respect to such breach or with respect to any future breach you may commit.