



**REVOLVING LINE OF CREDIT AGREEMENT AND TRUTH IN LENDING DISCLOSURE PROVISIONS**

*Notice: Read and retain this copy of your Line of Credit Agreement and Disclosure Statement for future reference.*

Borrower Name	Account Number (If left blank, refer to previous agreement)
Co-Borrower Name	Application Number
Credit Limit	Date

This Revolving Line of Credit Agreement and Disclosure Statement (“Agreement”) between Bellco Credit Union (“we”, “our”, or “us”) and the borrower(s) referenced above (“you” or “your”) covers your Revolving Line of Credit with the account number referenced above (the “Account”). In this Agreement, the words “you” and “your” mean the individual(s) who applied for the Account by completing an Account application, and all individuals to whom you authorize access to the Account (collectively, the “Authorized Users”). You and we are sometimes collectively called the “Parties” and individually a “Party”. By applying for and using the Account, you have agreed to be bound by the terms of this Agreement.

**CONSENSUAL SECURITY INTEREST:** You agree to give us a security interest in any and all funds on deposit in accounts in which you have an ownership interest, both now and in the future, with the exception of retirement accounts or any other accounts that would lose special tax treatment under state or federal law if given as security. The granting of this security interest is a condition for the approval of the Account that you may use, directly or indirectly, to obtain extensions of credit under the Agreement. This means that, if you are in default, we can, without prior notice to you, take funds from any eligible account(s) in which you have an ownership interest and apply them as a credit against your Account in any amount available up to the entire balance. Collateral securing other loans you have with us may also secure this loan.

**1. The following terms have these meanings in the Agreement:**

- “Account Number” means account number referenced above.
- “Advance” shall mean a loan from us to you. The following transactions are examples of Advances: requesting cash in person at any branch; making a withdrawal from the Account at participating ATM network machines; transferring funds through online banking; and automated transfers for overdraft protection.
- “Balance” means your Balance together with all Fees and finance charges that accrue thereon until the date on which our records reflect that you owe no amounts to us (no debit balance) and we owe no amounts to you (no credit balance).
- “Credit Limit” means the amount of credit we will make available to you under the Agreement, as referenced above; however, we may reduce, suspend, or terminate your credit limit at any time without prior notice for any reason not prohibited by law.
- “Person” means, as the context requires, a human being and/or firm, corporation, partnership (including, without limitation, general partnerships, limited partnerships, and limited liability partnerships), limited liability company, joint venture, business trust, association or other legal entity other than us.
- “Transaction” means each Advance.
- “Transaction Date” means the date of the Advance.
- “Unauthorized use of the Account” means the use of the Account by someone other than you who does not have actual, implied, or apparent authority for such use, and from which you receive no benefit.

**2. Change of Name or Address.** You agree to notify us of any change in your name or address within fifteen (15) days of the change by calling 1-800-BELLCO1 (1-800-235-5261) or in writing at: Bellco Processing Center, PO BOX 2068, Glen Burnie, MD 21060.

- 3. Investigation Authorization.** You authorize us to investigate your credit record and verify your credit, employment and income and further authorize any person, association, firm, corporation or personnel office to furnish on our request, information pertinent to evaluation of your creditworthiness. You authorize us to obtain information concerning your creditworthiness from consumer reporting agencies, now and in connection with updates, renewals, and later credit extensions. If we take adverse action on your account as a result of information obtained from a consumer reporting agency, we will advise you of that fact and supply you with a name and address of the reporting agency making the report.
- 4. Joint Applicant Liability.** If more than one person is listed on the Account, each of you shall be jointly and individually liable to us for all charges made to the Account, including applicable fees. In addition, you agree that each of you designates the other as agent for the purpose of making Advances under this Agreement and each use of your Account shall be an extension of credit to all. Notice to one of you shall constitute notice to all. Any borrower may close the Account at any time by notifying us in writing. However, removal from the Account does not release you from liability already occurred.
- 5. Amendments Modifications.** We have the right to change the terms of this Agreement from time to time after giving you any advance notice required by law. Any changes will apply to future Advances. In our sole discretion and subject to applicable law, the change in terms may also apply to unpaid balances.
- 6. Credit Limit.** We will establish a line of credit for you. You promise that payments we make for your Account resulting from use of the Account will at no time cause the outstanding balance of your Account to exceed your credit limit as established by us or as adjusted from time to time at our discretion. **Notwithstanding the foregoing, in our discretion, we may choose to approve a transaction you have requested that would cause you to exceed your approved credit limit and you will be responsible for such transactions. We are not responsible for any losses or damages, including consequential damages, if a transaction on your account is declined, either by us or a third party, even if you have sufficient credit available.** Each payment you make on the Account will restore your credit limit by the amount of the payment which is applied to the principal balance. We have the right to reduce, suspend, or terminate your credit limit at any time without prior notice for any reason not prohibited by law, but such action does not affect your obligation to pay the account balance. You may request an increase in your credit limit only by written or telephone application to us, which must be approved by our loan officers.
- 7. Acknowledgement.** You acknowledge receipt of a copy of this Agreement. We will not be liable if an electronic terminal fails to function for any reason, whether or not this malfunction is known to you.
- 8. Promise to Pay.** You promise to pay in U.S. dollars for (a) all Advances made by you or anyone whom you authorize to use the Account; (b) finance charges and other charges or fees; (c) collection costs and attorney's fees as permitted by applicable law; and (d) credit in excess of your credit limit that we may extend to you. You cannot disclaim responsibility by notifying us, but we will close the Account for new transactions if you so request. Your obligation to pay the Account Balance continues even though an agreement, divorce decree, or other court judgment, to which we are not party, may direct you or one for the other persons responsible to pay the account. Other than co-borrowers, any person using the Account is jointly and severally responsible with you for charges he or she makes.
- 9. Finance Charge.** We will impose finance charges on your Account by applying the Periodic Rate to your average daily balance.
- 10. Balance Computation Method for Advances: Average daily balance method (including current transactions):** We figure the finance charge on your account by applying the periodic rate to the "average daily balance" of your account. To get the "average daily balance," we take the beginning balance of your account each day, add any new transactions, and subtract any unpaid interest or other finance charges and any payments or credits. This gives us the daily balance. Then, we add up all the daily balances for the billing cycle and divide the total by the number of days in the billing cycle. This gives us the "average daily balance."
- 11. Fees and Charges.** Please refer to the Truth-in-Lending Disclosure.
- 12. Acceleration:** If you are in default, we may, without prior notice to you, call any amounts you still owe immediately due and payable plus finance charges which shall continue to accrue until the entire amount is paid. You expressly waive any right to notice or demand, including but not limited to, demand upon default, notice of intention to accelerate and notice of acceleration. You agree to pay all reasonable costs of collection, including court costs and attorney's fees imposed.
- 13. Credit Insurance:** Credit insurance is not required for any extension of credit under the Agreement. However, if available, you may purchase credit insurance through us or an authorized agency and have the premium added to the outstanding balance in your Account. If you elect to do so, you will be given the necessary disclosures and documents separately.
- 14. Monthly payment.** We will mail you a statement or you may go online every month provided you have an outstanding balance. You must pay, in U.S. dollars; at least the Minimum Payment Due by the payment due date or you will be in default. The minimum payment will be disclosed on your statement based on the disclosure contained in this agreement.
- 15. Minimum Payment Due.** The minimum payment due each month will be either 2.5% of the balance or \$50.00, whichever is greater. You must pay the Minimum Payment by the Due Date to avoid being in Default. You may at any time pay all or any part of your Balance without penalty.

- 16. Late charge.** If we do not receive your required minimum payment within 10 days of the payment due date, you will be charge a late payment fee as set forth in the Truth-in-Lending Disclosures. In no event will the late payment fee exceed the amount of the minimum payment due for the applicable statement period.
- 17. Crediting of Payments:** All payments made on your Account at (i) the address designated for payment on the monthly periodic statement, (ii) through the Bellco.org website and (iii) made to a member service representative at any of our branch offices will be credited to your Account as of the date of receipt. If the date of receipt for a mailed payment or a payment made at a branch drop box is not a business day, your payment will be credited on the first business day following receipt. The required minimum payment for your Account will be applied first to collection costs, then to any finance charges, and then to the unpaid principal balance. Interest paid or agreed to be paid shall not exceed the maximum amount permissible under applicable law, and in any contingency whatsoever, if we shall receive anything of value deemed interest under applicable law which would exceed the maximum amount of interest permissible under applicable law, the excessive interest shall be applied to the reduction of the unpaid principal amount or refunded to you.
- 18. Default.** If you do not make at least the Minimum Payment Due on or before the Payment Due Date each month, you will be in default. You will also be in default if your ability to repay us is materially reduced by a change in your employment, increase in your obligations, bankruptcy or insolvency proceedings involving you, your death or your failure to abide by this agreement, or if the value of your security interest materially declines. We have the right to demand immediate payment of your full account balance if you default, subject to our giving you notice required by law. To the extent permitted by law, you will also be required to pay all collection costs, including court costs and reasonable attorney fees of 15% of the unpaid debt after default, plus any fees incurred as a result of bankruptcy.
- 19. Questions and Billing Errors.** Please let us know right away if you have any questions about your statement of account. If you think we have made a mistake in your statement, please refer to the billing rights located in your Account Opening Disclosures or the billing error statement included with your monthly statement. This tells you your rights to dispute billing errors.
- 20. Assignment of Account.** We have the right to assign and transfer your Account and any of our rights under this Agreement without your consent or notice to you. The Person to whom the Account and Agreement is assigned shall be entitled to all of our rights under this Agreement. You cannot transfer or assign your Account to anyone.
- 21. Governing Law.** This agreement will be governed by the laws of the State of Colorado and applicable federal laws. If any part of this agreement becomes unenforceable, it will not make any other part unenforceable.
- 22. Illegal Use.** You agree not to use and will not permit anyone else to use the Account unlawfully or for any illegal purpose, activity, or transaction.

**NOTICE: Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: The costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account). To receive this notice verbally or to receive a description of your payment obligations, please call 1-800-BELLCO-1 (1-800-235-5261) during our normal business hours.**

**The following applies if at the time you open this Account you are a member of the military or a dependent (as those terms are defined in the Military Lending Act, 10 U.S.C. 987 and its implementing regulations): this Agreement will not be secured by a consensual lien on shares or deposits in any of your accounts unless you specifically agree to establish an account in connection with this loan ("Secured Account"). Only funds deposited into the Secured Account after the loan is made will secure this loan. Any cross-collateralization provision contained in your Agreement or membership documents will not apply to the Secured Account or your other share or deposit accounts for any Account subject to the Military Lending Act. However, with regard to this Account, we still reserve our statutory lien rights and any resulting rights to set-off or administrative freeze under federal or state law, which gives us the right to apply the sums in the Secured Account or any other account(s) you have with us to satisfy your obligations under this Agreement. Any contract terms in your Agreement or membership agreements that contradict the above with regard to this Account are hereby deleted.**