

Police and Fire Federal Credit Union

***EXPRESSLOAN* Credit Agreement and Truth-in-Lending Disclosure**

This *EXPRESSLOAN* Credit Agreement and Truth in Lending Disclosure will be referred to as “*EXPRESSLOAN*.” “You” and “Your” mean each person who signs *EXPRESSLOAN*. “PFFCU”, “we” or “us” means Police and Fire Federal Credit Union or anyone to whom PFFCU transfers its rights under *EXPRESSLOAN*.

WHAT IS *EXPRESSLOAN*?

EXPRESSLOAN is PFFCU’s streamlined loan system for Personal Lines of Credit, Signature Loans and VISA Credit Cards (the “Loans”) and any additional loan products that may be added. By signing *EXPRESSLOAN* you will be able to apply for future Personal Lines of Credit, Signature Loans, VISA (Platinum, Classic and Secured) accounts and increases in credit, as well as take advances on existing loans, without the need to visit a branch or sign any additional documents. You may also request a decrease for the credit limit of any line of credit or VISA account without the need to visit a branch or sign any additional documents.

HOW *EXPRESSLOAN* WORKS

Once you have signed *EXPRESSLOAN*, you will only need to provide PFFCU with an application for the particular loan, or increase in credit line you want. PFFCU will then tell you whether you qualify for the loan or increase in credit line. No additional signatures are necessary. You can also call at any time and take an advance on available funds from your line of credit or VISA. Your signature on *EXPRESSLOAN* signifies your agreement to the terms and conditions of *EXPRESSLOAN*, the *EXPRESSLOAN* Addendum and your obligation to repay the loan and any advances.

REPAYMENT

You promise to repay PFFCU for all advances made to you under *EXPRESSLOAN*, plus any applicable charges described in this Agreement, the Addendum or any other list of charges published by PFFCU. All payments must include any past due amounts, applicable late fees and any amounts by which you exceed your credit limit. You promise to pay interest on what you owe, until the total amount has been repaid. You may pay your loan balance in full at any time, without penalty. PFFCU may accept late payments, partial payments, or checks, money orders or other negotiable instruments or payments marked “paid in full”, without losing any of our rights under this Agreement.

Minimum monthly payments, as disclosed in the Addendum, are required on each loan account, as long as a balance exists. Any payment you make in excess of any required minimum payment will not effect your obligation to make future monthly payments, in accordance with the Agreement, as long as any unpaid balance remains. For Signature Loans, the Addendum provides disclosures for four specific loan amounts as examples. PFFCU will provide you with complete disclosures, including the actual payment for your Signature Loan, before your first payment is due.

The **Annual Percentage Rate (APR)** for your loan will depend on the particular loan, a review of your credit score at the time of application, and the payment method you chose. The Addendum, and any updates, will show the current interest rates for fixed rate loans. If the rate is variable, the Addendum will provide the index and margin used to determine the **APR**.

For all loans that receive a discount in the **APR** for automatic payment from your PFFCU account, you agree that if automatic payment is stopped, for any reason, the **APR** on your loan will increase to the **APR** applicable for cash payments, as disclosed. If this occurs, the amount of your loan payments may increase.

COST OF CREDIT

The **Finance Charge** is the total cost to you of obtaining credit through *EXPRESSLOAN*. For PLOC and VISA Cash Advances, the **Finance Charge** begins to accrue on the date of the first advance and accrues for each day the balance remains unpaid. For VISA purchases, **Finance Charges** will begin to accrue as noted in the Grace Period for Purchases section contained in the Addendum.

For Lines of Credit and VISA: The **Annual Percentage Rate** is a variable rate that may adjust monthly and will be the sum of an "Index" plus a "Margin". The "Index" will be equal to the highest "Prime Rate" published in the Money Rates Table of the Wall Street Journal (Eastern Print Edition) each month. If the Index changes in a month, your Annual Percentage Rate and monthly periodic rate will change on your monthly periodic statement that is produced on or after the first day of the following month. The **Annual Percentage Rate** will never be lower than 9.9% (daily periodic rate of .0271 / monthly periodic rate of .825), 13.9% (daily periodic rate of .0380 / monthly periodic rate of 1.158) or 17.9% (daily periodic rate of .0490 / monthly periodic rate of 1.491), depending on your credit score at the time of application, and may not increase above the highest rate permitted by the National Credit Union Administration (currently 18% corresponding to a daily periodic rate of .0493 and monthly periodic rate of 1.5%).

If the **Annual Percentage Rate** increases, your monthly payments and minimum payments may increase and it may take you longer to pay what you owe in full. The Margin will be 3.9% to 12.9% per year, depending on our review of your application and credit history.

For VISA accounts only: You can avoid the Finance Charges on purchases by paying the full amount of the new balance of purchases each month within 25 days of your statement closing date. Cash advances are always subject to a Finance Charge beginning on the date on which they are posted to your account.

CREDIT LINES AND ADVANCES

For PLOCs and VISA accounts, PFFCU will establish a self replenishing line of credit for you, and notify you of the amount when your loan is approved. The Security Interest and Agreement and the VISA Security Agreement, contained in this *EXPRESSLOAN* Agreement, shall also apply to all balances that exceed your line of credit or VISA credit limit. You agree not to let the account balance exceed your approved credit line. If it does, you must immediately repay the amount by which you exceeded the credit line to PFFCU. Each payment you make on the account will restore your credit line by the amount of the payment that was applied to your principal balance. You may request an increase in your credit line, which must be approved by a PFFCU Loan Officer.

PFFCU is not required to make advances to you under *EXPRESSLOAN* and can refuse a request for an advance, at any time, and for any reason. PFFCU may also, at any time, reduce or close your credit line, for lines of credit and VISA, for good cause. Good cause includes, but is not limited to, your failure to comply with the terms of this Agreement, any default of this Agreement, or any circumstances that PFFCU feels, in its opinion, would effect your obligation to repay your loan, including a change in your credit score. PFFCU may consider information received from outside sources, including obtaining and reviewing credit and consumer reports, in any review of your loans.

For Lines of Credit only: If requested, any overdrafts on your PFFCU checking account will be charged against your unsecured credit limit, equal to the amount of the overdraft, and will be subject to the Finance Charge in effect at that time. If sufficient funds are not available from your line of credit, no overdraft protection from your line will be available. For more information, please refer to your Over Draft Agreement.

SECURITY INTEREST AND AGREEMENT

For all outstanding debt, liability or loans subject to *EXPRESSLOAN*, you agree that PFFCU, to the extent permitted by applicable law, and in addition to such rights as it may have under law, shall have a security interest in, a statutory lien upon, and a right to set off against such debt, liability or loan, without prior notice, all of your shares, including future additions, in any and all individual, joint, custodial, agency or other PFFCU accounts in which you have an interest, whether or not then due. You agree that entire balances of any accounts can be offset for the debts of any one or all of the joint owners of an account(s). For all VISA accounts, you acknowledge the need to, and have initialed the designated space(s), in the signature box on your previously signed *EXPRESSLOAN*, acknowledging the separate VISA Security Agreement below. Shares and deposits in an Individual Retirement Account, or 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.

For secured VISA, you have pledged specific shares in an S10 account to PFFCU to secure your credit limit. These shares and deposits, and any others, as stated above, are subject to a security interest in your VISA account. Any adjustment in your credit line will be reflected in the balance of your S10 account. PFFCU will hold your S10 pledged shares, for 45 days after your account is closed, before applying them to any outstanding balance. Any surplus funds will be deposited to your S1 account.

VISA SECURITY AGREEMENT

To secure repayment of VISA loan transactions, including any balances in excess of my/our credit limit, I/we jointly and individually hereby pledge all shares, deposits and certificates that I/we now have or hereafter may have in PFFCU, whether held individually, jointly or in any other manner (for Secured VISAs and amount equal to the total credit extended must be deposited into an S10 account which will be the primary pledge for the VISA). This pledge acts as a security for this loan to the extent of any unpaid balance. This pledge however does not include amounts held under an "Individual Retirement Account" or any other account that would lose special tax treatment under state or federal law. This pledge is to secure the repayment of the loan and interest fines, costs or expenses that may accrue, thereon. You authorize PFFCU to apply any or all such pledge amounts to the payment of said loan and interest, fines, costs or expenses in the event of default, as defined by the Credit Card Agreement. BY HAVING PREVIOUSLY INITIALED IN THE SIGNATURE BOX OF YOUR ELA AGREEMENT, YOU WARRANTED THAT you have read the foregoing statement and understand that you pledge shares, deposits and certificates as security for this loan.

DEFAULT

You will be in default if: (1) you break any promise made under *EXPRESSLOAN*; (2) you do not use the money you received for the purposes stated in your application; (3) PFFCU, in good faith, believes that the prospect of payment, or performance under *EXPRESSLOAN* is impaired; (4) you die; (5) you file a petition in bankruptcy, insolvency, or receivership, or are put involuntarily into these proceedings; (6) you do not make a payment of the amount required when due; (7) you are delinquent on any other obligation to us; or (8) you submit any false, inaccurate or misleading information on any application, or to any PFFCU employee with regard to *EXPRESSLOAN*, or conceal any information regarding your creditworthiness, credit standing or capacity to repay your loan.

When you are in default, PFFCU, without prior notice, can (1) demand payment of the entire amount you owe; (2) apply any shares given as security towards what you owe; and/or (3) exercise any other rights given by law, when you are in default, including, but not limited to, the right to set off any account, in which you have an interest, to bring your loan current. You also agree to pay the reasonable costs of collection including court costs and attorneys' fees. You will continue to pay interest, at the applicable rate under *EXPRESSLOAN*, until what you owe has been repaid.

For secured VISA, if an account is in default, and delinquent for more than 60 days, the account will automatically be closed and terminated. The funds pledged in the S10 account, and any other available funds, will be applied to the balance of the secured VISA account. If any additional funds remain in the S10 account, they will be held for a period of 45 days from when the account is closed. If after that time, any funds remain, they will be deposited to your S1 account. PFFCU may, in addition, exercise any other rights upon default contained herein and in the Addendum.

PROVIDING AND UPDATING INFORMATION

You promise that you will promptly give PFFCU written notice if you move, change your name or employment, or if any other information you provided to PFFCU changes. You will notify PFFCU with any information that relates to your ability to repay your obligations with PFFCU. You promise not to submit any false, inaccurate or misleading information or conceal any information regarding your personal information, creditworthiness, credit standing or capacity to repay your loans. You agree to provide PFFCU with updated financial information upon request.

JOINT ACCOUNTS

If this is a joint account, each of you ("co-borrowers") authorizes the other(s) to make advances individually, on a line of credit or VISA under *EXPRESSLOAN*. That means that an advance can be made by only one of you, and that the proceeds can be paid to only one of you. No matter which co-borrower makes the advance under the loan, each of you is equally liable and jointly and individually responsible under *EXPRESSLOAN*, for repayment of the entire loan and for fulfilling all of *EXPRESSLOAN*'s terms and conditions. That means that PFFCU can enforce its rights under *EXPRESSLOAN* against any one of you individually or against all of you together.

If you have a joint account, all loans under this *EXPRESSLOAN* Agreement must be in the names of all owners. If any joint owner wishes to have a loan in his/her name only, he/she may sign an *EXPRESSLOAN* Agreement on a separate account, held in his/her name alone.

POWER OF ATTORNEY

If your loans under *EXPRESSLOAN* are paid automatically through payroll deduction, you hereby appoint PFFCU your Attorney-in-Fact to make the necessary changes in your deductions for any payment increase on an existing loan, or to set up deductions for a new loan. In addition, if the APR on your loan(s) is subject to increase because you cease automatic payment of your loan(s), you appoint PFFCU as your Attorney-in-Fact to change the payment for your loan.

STATEMENTS AND NOTICES

On a regular basis you will receive a statement showing all transactions made by you on your *EXPRESSLOAN* loans, during the period covered by the statement. Statements and Notices will be mailed or made available to the first named person listed on the account under which this *EXPRESSLOAN* is made, to the most recent address on file with PFFCU. Notice to any one of you will be considered notice to all.

LOAN PROTECTION / INSURANCE

Any loan protection/ insurance is optional and is not required to obtain a loan. You may purchase loan protection/insurance from any provider you wish.

For Lines of Credit and Signature Loans – You have the option of applying for loan protection. Please notify PFFCU when you apply for a loan, if you wish to protect your loan.

For VISA – If you want insurance for your VISA account, please contact PFFCU for more information and details.

FEES

Fees and explanations for these fees are contained in the Addendum to this Agreement, and also, in PFFCU's list of charges, which is available at www.pffcu.org.

EFFECT OF SIGNATURE

You agree that your signature on or acknowledgement of *EXPRESSLOAN* will act as your signature on any and all verbal or written applications you submit to PFFCU for establishment of a line of credit, signature loan and VISA. Your signature and or acknowledgment will also act as your authorization for, and agreement to repay any advances and increases in credit made under *EXPRESSLOAN*. Your signature and or acknowledgement signify that all information and representations made to PFFCU on all applications and communications are true and correct to the best of your knowledge. If you do not sign a separate application for a VISA Credit Card or line of credit, your use of the card or the line, or your failure to close the VISA account or line of credit within 30 days of your approval for the same, will signify your acceptance of the terms and conditions of this *EXPRESSLOAN* Agreement, the ELA Addendum and the PFFCU Member Account Agreement.

Your signature and or acknowledgement signify that you will fully cooperate with PFFCU to adjust for any clerical errors in the documentation and to complete and sign any and all necessary documents in connection with your loan. You agree to comply with all requests to do the same within 30 days of the mailing of the request. You agree to assume all cost for failing to comply with correction or other such requests in the 30 days period.

TERMINATING OR CHANGING THE PLAN

PFFCU has the right to change the terms and conditions of *EXPRESSLOAN*, including the annual percentage rate, and the index or margin on variable rate loans, contained in the Addendum, at its discretion. You will receive notice of any change, as required by applicable law.

PFFCU reserves the right and you agree that PFFCU may review any accounts subject to *EXPRESSLOAN* on a periodic basis. You agree that PFFCU may review and consider information received from outside sources, including credit and consumer reports, in connection with any such review. Subject to the review, if there is an adverse change in your credit qualifications, you agree that PFFCU may raise the interest rate, index or margin on any of your accounts subject to *EXPRESSLOAN*. You will receive notice of any change, as required by applicable law.

PFFCU may add new loan products to *EXPRESSLOAN*. Any loan products added to *EXPRESSLOAN* are subject to the terms and conditions of *EXPRESSLOAN*, as if specifically named herein.

PFFCU can terminate *EXPRESSLOAN*, or the availability of any particular loan therein, at any time. You may cancel *EXPRESSLOAN*, upon written notice to PFFCU, at any time. Your obligation to pay the unpaid balances for any loan or account under *EXPRESSLOAN* continues, under the provisions of *EXPRESSLOAN*, no matter who terminates *EXPRESSLOAN*.

ADDITIONAL GENERAL PROVISIONS

(1) In case any provision of this Agreement is held invalid for any reason, such determination shall not affect the remaining provisions of the Agreement, and the Agreement will be enforced as though such provision had not been included; (2) The paragraph headings are meant for illustration only, and are not considered inclusive; (3) This Agreement is subject to the laws of the Commonwealth of Pennsylvania, and all federal laws so applicable. (4) PFFCU may waive any of its rights under this Agreement, without losing any of them. The failure of PFFCU to exercise any of its rights pursuant to this Agreement does not preclude PFFCU from exercising them in the future. (5) You agree that PFFCU, in connection with any application for credit or increase, may obtain and review any credit report(s), and may verify any information provided by you in connection with any Application. (6) Any terms and information contained in this Agreement are subject to change.

ADDITIONAL VISA PROVISIONS

(1) You are responsible for charges made by anyone to whom you give your VISA card, unless the use of the card is by a person other than you who does not have the actual, implied or apparent authority for such use. This responsibility lasts until the account is closed or terminated, or the card is returned by you. Each person who uses a VISA card with your permission is bound by this agreement, and you should ensure that such person(s) read and understand this Agreement; (2) To make a purchase or cash advance, present the card to a participating VISA plan merchant, to us, or to another financial institution and, if necessary, sign the sales or cash advance draft. You will receive a copy of the draft that you should retain to verify your monthly statement. (3) All credit purchases and loans are effectuated at the option of the seller or cash advancing bank and PFFCU will not be responsible for any refusal to honor your card. (4) Purchases and cash advances that you make in foreign countries and currencies will be billed to you in U.S. Dollars. The conversion to dollars, with any fees, will be made in accordance with VISA operating regulations for international transactions. (5) All credit balances of \$1.00 or more will be credited to your VISA account. If you notify us in writing, PFFCU will return any credit balances directly to you within seven days of receiving the request. If a credit balance remains on your account for more than six months, we will make a good faith effort to return the money to you or deposit it into your PFFCU account. If this is not possible the credit will remain on your VISA. (6) *EXPRESSLOAN* is the contract that applies to all of your transactions, even if sales, credit or cash advance slips may contain differing language. (7) If cash advances are possible through the use of automated teller machines or other electronic devices, PFFCU will furnish you with a Personal Identification Number (PIN), for such use. Your use of the PIN and your card constitutes your signature for such transaction. (8) You agree that your VISA Card may not be used for any illegal transaction(s), as provided in the Illegal Activity Section of your Member Account Disclosures. You also agree that you will not use your VISA card if you have or intend to file a petition in bankruptcy, or if you do not honestly expect to be able to make the minimum payment required upon receipt of your monthly statement. (9) You agree that PFFCU may provide personal data about you to VISA USA, its members, or their respective contractors for the purpose of providing Emergency Cash and Emergency Card Replacement Services and you consent to the release of this information. (10) You agree to notify PFFCU immediately upon discovering that your card has been lost or stolen. You can call toll-free at 1-800-325-3678.

Liability for unauthorized use: Your liability for unauthorized use of your card will not exceed the lesser of \$50.00 or the amount of money, labor, property or services obtained by the unauthorized use, before you notify PFFCU. You can notify PFFCU of the loss, theft or possible unauthorized use by calling us toll free at 1-800-325-3678, or writing to VISA at P.O. Box 30495, Tampa, FL 33630. On your notification, please provide your card number, name and address.

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 shown on it, write to us at the address listed on your statement, 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 may telephone us, but doing so will not preserve your rights. In your letter, give us the following information:

1. Your name
2. The dollar amount of the suspected error.
3. 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.

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 bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your 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.

**Police and Fire Federal Credit Union
901 Arch Street, Philadelphia, PA 19107-2495
215-931-0300 or 1-800-228-8801**