



**PLATINUM HOME EQUITY LINE OF CREDIT AGREEMENT AND  
VARIABLE RATE NOTE AND TRUTH-IN-LENDING DISCLOSURE  
FOR LOANS SECURED BY REAL ESTATE**

Michael Bishop & Celeste Bishop

Borrowers: \_\_\_\_\_ Date of Loan 3/23/2009  
\_\_\_\_\_  
Loan Number: \_\_\_\_\_  
\_\_\_\_\_  
Credit Limit: \$108,000.00  
\_\_\_\_\_  
Draw Period Expiration Date: \_\_\_\_\_

Member Account Number: 3556453

**TYPE OF ACCOUNT:** ☐ Platinum Home Equity Line I ☐ Platinum Home Equity Line II  
(80% or less CLTV\*) (Over 80% CLTV\*)

\* Combined Loan to Value

In this Platinum Home Equity Line of Credit Agreement and Variable Rate Note and Truth-in-Lending Disclosure for Loans Secured By Real Estate ("Note"), the words **You, Your and Yours** mean each and all of those who sign this Note and each and all of those who use the PLATINUM HOME EQUITY VISA Card ("Card") and VISA Convenience Checks issued to access this Account. The words **We, Us, Ours and Credit Union** mean NuUNION CREDIT UNION. The word **Account** means the real estate secured Line of Credit Account in the amount of the Credit Limit shown above which we established for you pursuant to this Note.

**NOTICE: THIS IS A CONTRACT, WHICH ESTABLISHES LEGAL RIGHTS AND DUTIES. PLEASE BE SURE TO READ IT COMPLETELY AND CAREFULLY. IT CONTAINS PROVISIONS FOR A VARIABLE ANNUAL PERCENTAGE (INTEREST) RATE AND A BALLOON PAYMENT.**

This Note spells out the terms and conditions of your real estate secured Platinum Home Equity Line with us. It sets out your rights and duties as well as ours. If you have questions about this Note, please call or write us.

**1. TRUTH-IN-LENDING DISCLOSURE:**

The federal Truth-in-Lending Act requires lenders to tell borrowers certain things about consumer loans they make – in other words, to make a disclosure. When you applied for this Account, you received a Truth-in-Lending disclosure of certain terms of the Account. The disclosure provided here is in addition to, but does not change the terms of, the disclosure you received with your application for the Platinum Home Equity Line of Credit.

Under this Account, you will have ten (10) years of a "Draw Period", which is the time during the plan when you may request advances. At the end of your Draw Period, we reserve the right to renew or extend the Draw Period for additional one (1) year periods. You will be notified in writing if we elect not to extend your Draw Period. No advances will be made under this Note after \_\_\_\_\_ unless your "Draw Period" has been extended. Following the Draw Period there will be a fifteen (15) year "Repayment Period" which is the time during the plan that you must repay your Platinum Home Equity Line balance. You cannot obtain new advances during the Repayment Period.

The total amount owing under this Note at any time may not exceed \$108,000.00

**Minimum Monthly Payment:** A minimum monthly payment is required during both the Draw Period and Repayment Period. Payments are due twenty-five (25) days from the billing statement date.

**During the Draw Period** the minimum monthly payment is equal to the interest due at the end of each billing cycle, plus late charges, if any, and other charges, if any, or the outstanding balance on your Account, whichever is less. If your Account is past due, this past due amount must be paid in addition to your minimum monthly payment. If any amount exceeds your Credit Limit, the amount in excess of your Credit Limit must be paid in addition to your minimum monthly payment. You understand and agree that your minimum monthly payment will be applied in the following manner: (a) late charges, if any and other charges, if any (b) FINANCE CHARGES and (c) unpaid balance.

**During the Repayment Period:** the minimum monthly payment is equal to two percent (2%) of the principal balance at the end of each billing cycle and it will not change until the end of your next billing cycle. However, in no event will the minimum payment be less than \$100.00, plus late charges, if any, and other charges, if any, or the outstanding balance on your Account, whichever is less. If your Account is past due, this past due amount must be paid in addition to your minimum monthly payment. If any amount exceeds your Credit Limit, the amount in excess of your Credit Limit must be paid in addition to your minimum monthly payment. You understand and agree that your minimum monthly payment will be applied in the following manner: (a) late charges, if any and other charges, if any (b) FINANCE CHARGES and (c) unpaid balance.

**Balloon Payment:** In the event there is an outstanding balance at the end of the Repayment Period, you will be required to pay the entire outstanding balance in one single payment, known as a "balloon payment."

**Prepayment or Irregular Payments:** Though you need only pay in accordance with the terms of this Note, you understand you have the right to repay your entire loan at anytime without penalty. You also understand you will only be charged FINANCE CHARGES to the date you repay your entire loan. You may make larger payments without penalty and this may reduce the total amount of FINANCE CHARGES you will pay. Any partial payment of your loan will not delay your next scheduled payment due date(s). You understand any payment that (a) delays or (b) accelerates the reduction of your unpaid balance will (a) increase or (b) decrease your FINANCE CHARGES.

**Last Payment:** You give us permission to deposit the balance of your last payment, if any, to your share account.

**Fees and Charges:** Late fees of \$30.00 may be charged if a payment is 10 days late. For Overlimit, NSF (Non Sufficient Funds) fees and stop payment on convenience check fees, see current credit card disclosure.

Other charges associated with opening this plan are:

|                        |                            |                                |                |
|------------------------|----------------------------|--------------------------------|----------------|
| a. Processing Fee      | <u>\$N/A</u>               | f. Preparation of Document Fee | <u>\$N/A</u>   |
| b. Appraisal Fee       | <u>\$250.00 - \$300.00</u> | g. Pre-paid Interest           | <u>\$N/A</u>   |
| c. Credit Report Fee   | <u>n/a</u>                 | h. Flood Certification Fee     | <u>\$19.00</u> |
| d. Title Insurance Fee | <u>\$45.00 - \$380.00</u>  | i. Total of other Fees/Charges | <u></u>        |
| e. Recording Fee       | <u>\$23.00 - \$26.00</u>   |                                |                |

You understand and agree that you must pay any appraisal fee incurred by us in the connection with any re-evaluation of your creditworthiness or the value of the security. You understand and agree that we may re-evaluate your creditworthiness or the value of the security during the term of this Note, at anytime we have reason to believe that your creditworthiness or the value of the security has changed materially.

**Property Insurance:** In addition to the various fees and charges set forth above, you understand and agree that you must maintain dwelling insurance (and if the security is now or at some future date is determined to be located in a flood hazard area qualifying for and having available flood insurance under the National Flood Insurance Act of 1968/National Flood Insurance Reform Act of 1994, then flood insurance) on the security, naming us as Loss Payee and fully insuring the security against loss or damage by fire and other standard perils. You may obtain this insurance from a person of your own choosing. If you do not get or keep this insurance, we may obtain this insurance and add its cost to your loan and you agree to pay for it. Any amount spent by us for insurance will be added to the unpaid balance of your loan and will accrue FINANCE CHARGES. The proceeds of any insurance policy on the security, whether or not required by us, shall be applied solely to repairs of the security or repayment of the loan.



**YOU AGREE TO REIMBURSE US FOR ANY FEES WE INCURRED IF YOU DO NOT TAKE AN ADVANCE OF AT LEAST \$5,000.00 WITHIN 30 DAYS OF CLOSING OR IF YOU PAYOFF AND CLOSE THE PLATINUM HOME EQUITY VISA WITHIN TWO (2) YEARS OF COMMENCEMENT DATE.**

**MINIMUM DRAW REQUIREMENTS:** There are no minimum advances that you must draw under this Note.

**Negative Amortization:** Under some circumstances, your payments will not cover the FINANCE CHARGES that accrue and negative amortization will occur. Negative amortization will increase the amount you owe us and reduce your equity in your home.

**Tax Deductibility:** FINANCE CHARGES (interest) and the other fees and charges under this Note may be tax deductible. You understand that you should consult a professional tax advisor regarding the deductibility of such interest and other fees and charges.

### **VARIABLE RATE FEATURE**

The ANNUAL PERCENTAGE RATE is based on the value of an "INDEX." The "INDEX" is the highest Prime Rate as published in the Money Rates column in the Wall Street Journal for the second Tuesday of the month immediately preceding each calendar quarter.

The daily rate in effect on the date this plan opened was 0.0110% , corresponding to an ANNUAL PERCENTAGE RATE of 4% . This rate may change up to four (4) times a year during the time this Note is in effect.

The ANNUAL PERCENTAGE RATE imposed under this Note does not include cost other than interest.

**How we determine changes in your ANNUAL PERCENTAGE RATE:** The ANNUAL PERCENTAGE RATE may increase or decrease on a quarterly basis during the term of this Note. Any such change will be based on an increase or decrease in the "INDEX" in effect on the first billing cycle of January, April, July, and October of each year. In the event that the "INDEX" ceases to be published changes in the ANNUAL PERCENTAGE RATE will be related to a comparable "INDEX" as permitted under the Change of Terms paragraph.

Your ANNUAL PERCENTAGE RATE is determined by the "INDEX" rate for Platinum Home Equity Line I and adding a margin of one percent (1%) for Platinum Home Equity Line II. The "INDEX" used is the one in effect as of each Adjustment Date. The "INDEX" in effect as of the date of this Note was %. We may waive an increase in the ANNUAL PERCENTAGE RATE when such an increase can be made, but such a waiver shall not be construed as a waiver of our right to increase the ANNUAL PERCENTAGE RATE at a future date when entitled to do so.

Your ANNUAL PERCENTAGE RATE is subject to change every three (3) months on the first day of the billing cycle in January, April, July and October of each year. These dates shall be known as "Adjustment Dates." The "INDEX" in effect on the second Tuesday in December shall be used to calculate the ANNUAL PERCENTAGE RATE change effective January's billing cycle of the next year. The "INDEX" in effect on the second Tuesday in March shall be used to calculate the ANNUAL PERCENTAGE RATE change in April's billing cycle of the same year. The "INDEX" in effect on the second Tuesday in June shall be used to calculate the ANNUAL PERCENTAGE RATE change in July's billing cycle of the same year. And the "INDEX" in effect on the second Tuesday in September shall be used to calculate the ANNUAL PERCENTAGE RATE change effective in October's billing cycle of the same year. The maximum ANNUAL PERCENTAGE RATE during the term of this Note is 18%, except that the maximum may not exceed the maximum ANNUAL PERCENTAGE RATE permitted state chartered credit unions at the time of each Adjustment Date. There are no annual (or quarterly) limitations on changes in the ANNUAL PERCENTAGE RATE during the term of this Note. Decreases in the ANNUAL PERCENTAGE RATE in accordance with the terms of the Note are mandatory. Increases in the ANNUAL PERCENTAGE RATE in accordance with the terms of the Note are at our discretion. Any increase or decrease in the ANNUAL PERCENTAGE RATE will result in changes in the dollar amount of the payments required to repay the unpaid balance.

**Periodic Rate:** The daily rate is equal to the ANNUAL PERCENTAGE RATE divided by 365. The ANNUAL PERCENTAGE RATE is based on the value of the "INDEX". The "INDEX" is the highest Prime Rate as published in the Money Rates column in the Wall Street Journal for the second Tuesday of the month immediately preceding each calendar quarter. However the ANNUAL PERCENTAGE RATE shall never be less than 4%, which corresponds to a daily, rate of .01096 or higher than 18.00% which corresponds to a daily rate of .04932%.



**HOW TO COMPUTE THE ADVANCE BALANCE (CONSISTING OF TRANSACTIONS RELATED TO PURCHASES, CASH AND OTHER ADVANCE TRANSACTIONS) UPON WHICH PERIODIC FINANCE CHARGES ARE ASSESSED:**

The **FINANCE CHARGE** begins to accrue on the date of each advance and merchandise purchase. The **FINANCE CHARGE** is interest you pay for money you borrow. We figure the finance charge on your account by applying the daily periodic rate to the "average daily balance" of your account (including current transactions). To get the "average daily balance" we take the beginning balance of your account each day, add any new purchases, advances or other charges, and subtract 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." For each day in the billing cycle, the average daily balance of your loan Account is multiplied by the daily periodic rate for the Account. The result is the amount of **FINANCE CHARGE** you owe at the time of your payment. Each payment on your Account will first be applied to late charges, if any, and other charges, if any, interest payable under the agreement and then to the principal of the agreement. Any unpaid **FINANCE CHARGE** will be paid by subsequent payments and will not be added to the principal.

This determines the total **FINANCE CHARGES** for the billing cycle. Actual **FINANCE CHARGES** are shown on your billing statement.

2. **Agreement to Lend:** Subject to the terms and conditions of this Note, and provided that you are not in default under this Note, we are obligated, for a period ending on the tenth (10) anniversary date of this Note, to advance to you through the use of your PLATINUM HOME EQUITY VISA Card and VISA Convenience Checks an amount not to exceed your Credit Limit as disclosed in this Note. The period during which you may obtain an advance under this Note is known as the "Draw Period." The maximum amount, which you will be entitled to draw upon during the Draw Period is the difference between your Credit Limit and the unpaid balance. Your repayment during the term of the Draw Period of this Note of all or a portion of the then unpaid balance will result in a corresponding increase in credit then available to you under this Note. When the Draw Period ends or is terminated by the lender or borrower, you may no longer obtain advances, and you must repay the unpaid balance. This period following the Draw Period shall be known as the Repayment Period. The length of the Repayment Period is up to fifteen (15) years.

**All advances under this Note will be added to the unpaid balance of the Account and will accrue FINANCE CHARGES. You understand that the Mortgage will secure any Future Advance made by you. The term "Future Advances" includes, but is not limited to, money advanced to you in any form, money advanced to third parties at your direction, and costs, fees or other monies advanced by us to protect our interest in the security.**

3. **Payment:** You promise to repay all sums advanced to you or any person you permit to use this Account on the terms and at the rates set forth herein. Payments will continue until you have paid in full the unpaid balance, **FINANCE CHARGES** and any other charges. If your **ANNUAL PERCENTAGE RATE** is changed pursuant to the provisions set forth below, the dollar amount of payments required to repay the unpaid balance will be affected accordingly. You understand and agree that each payment is applied first to late charges, if any, and other charges, if any, then to **FINANCE CHARGES** and then to the unpaid balance.

4. **HOW TO ASK FOR ADVANCES UNDER THIS AGREEMENT:** By requesting that a PLATINUM HOME EQUITY VISA Card ("Card") be issued to you for access to this Account, you understand and agree that you may utilize the Card during the Draw Period to obtain advances in accordance with the terms of this Note. Such advances are subject to the following additional provisions:

(a) **Purchase and Cash Advances:** You can make purchases and request cash advances in accordance with then current loan policies up to your Credit Limit. You understand that all purchases and other transactions requested by you are subject to our approval. You further understand and agree that you may not utilize the Card to make purchase or cash advances once the Draw Period has ended.

(b) **Using the Card:** You may make a purchase or obtain a cash advance under this Note in any of the following ways. One is to present the Card to a participating VISA plan merchant, to us or to another financial institution, and sign or authorize a sales or cash advance draft. The second is to complete the transaction by using your Personal Identification Number (PIN) in conjunction with the Card in an Automated Teller Machine or other type of electronic terminal that accesses the VISA system. The third is to give your Card number verbally, electronically, or in writing to a merchant to complete a mail, electronic or telephone transaction.



Your Card and/or Account may not be used for any illegal activity or transaction. Further, you may not utilize your Card and/or Account for the purchase of any goods or services on the Internet that involves gambling of any sort. Such transactions include, but may not be limited to, any quasi-cash or online gambling transaction, any electronic commerce transaction conducted over an open network, and any betting transaction including the purchase of lottery tickets or casino gambling chips or off-track betting or wagering. However, in the event that a charge or transaction described in this paragraph is approved and processed, you will still be responsible for such charges.

5. **Your Real Estate is security for this Note:** The property subject to the real estate mortgage that you signed when you signed this Note to secure this Note is located at 2120 Holiday Lane, Lansing, MI 48917  
The real estate mortgage on your real estate that you signed when you signed this Note secures all advances made to you under this Note.

**PLEDGE OF SAVINGS: YOU AGREE THIS PLATINUM HOME EQUITY VISA IS ALSO SECURED BY ALL THE SHARES AND DEPOSITS IN YOUR INDIVIDUAL AND JOINT ACCOUNTS WITH US NOW AND IN THE FUTURE AND HEREBY PLEDGE SUCH SHARES AND DEPOSITS. 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 GIVE IN YOUR SHARES AND DEPOSITS.**

6. **Guarantors and Co-Signers:** A person who signs this Note even though he or she cannot borrow under it is called a "co-signer" if he or she is a member of the Credit Union or a "guarantor" if not a member. A "co-signer" or "guarantor" who **signs this contract** is liable to Us for advances under this Note from the time he or she signs it until those advances are paid in full, no matter how long it takes.

If a "guarantor" or "co-signer" wants to eliminate his or her responsibility for advances under this Note, that person must send us a written notice telling us that. After our receipt of written notice, the co-signor or guarantor will not be responsible for any new advance made after we receive the notice. The co-signor or guarantor will remain liable for advances that were made before we received the notice.

If a "guarantor" or "co-signer" signs this Note, he or she authorizes us to do any of the following things under this Note without first telling him or her about it:

- a. Make one or more advances to you;
- b. Extend the due date of any payment you owe;
- c. Reduce your monthly payment;
- d. Allow you to withdraw any of your savings;
- e. Release some other "co-signer" or "guarantor";
- f. Take additional "guarantors" or "co-signers".

7. **Liability of Parties:** Except for "Non-Borrowers" who sign the "Acknowledgement by Non-Borrowers Who Will Execute Mortgage," each person who signs this Note does so as a maker, and agrees to be individually and jointly obligated to pay your loan in accordance with the terms and conditions of the Note.

8. **Default:** You will be in default under this Note if any of the following occur:

- a. You engage in fraud or material misrepresentation, by your actions or failure to act, in connection with any phase of this Platinum Home Equity Line.
- b. You do not meet the repayment terms stated in this Note, subject to any right to cure that you have.
- c. Your action or inaction adversely affects the collateral security or our right in the collateral security. Examples include, but are not limited to, (i) failure to maintain required insurance on the dwelling; (ii) your transfer of the property; (iii) failure to maintain the property or use it in a destructive manner such that it adversely affects our interest in the property; (iv) commission of waste such that it adversely affects our interest in the property; (v) failure to pay taxes on the property or otherwise failure to act and thereby cause a lien to be filed against the property that is senior to our lien; (vi) death of the sole obligor on the plan or death of one of joint obligors if such death adversely affects our interest in the property; (vii) the property is taken through eminent domain; (viii) a judgment is filed against you and subjects you and the property to action that adversely affects our interest; or (ix) a prior lien holder forecloses on the property and as a result our interest is adversely affected.



We may terminate your Account, require you to pay the entire outstanding balance in one payment and charge you a termination fee, and fees related to the collection of the amount owing if you are in default in any manner described above. In that instance, we may take other action short of termination, such as charging you a fee if you fail to maintain required property insurance and we purchase insurance.

Even if we choose not to use one of our remedies when you are in default, we do not forfeit our right to do so if you default again. If we do not use a remedy when you default, we can still consider your actions as a default in the future.

In addition, we may temporarily prohibit you from obtaining additional extensions of credit or reduce your credit limit if:

- a. The value of the dwelling securing this Platinum Home Equity Credit Line declines significantly below its appraised value for purposes of this line. (Which includes the double State Equalized Value.)
- b. We reasonably believe you will not be able to meet the repayment requirements due to a material change in your financial circumstances.
- c. You are in default of a material obligation of this Note, which shall include, but is not limited to, (a) your on-going obligation to supply us with information we feel we need to assess your financial condition or (b) if the residence securing this Note becomes non-owner occupied.
- d. A government action prevents us from imposing the ANNUAL PERCENTAGE RATE provided for this Note.
- e. A governmental body adversely affects our security interest to the extent that the value of the security interest is less than 120% of the Platinum Home Equity Line.
- f. The ANNUAL PERCENTAGE RATE corresponding to the periodic rate reaches the maximum rate allowed under this plan.
- g. A regulatory agency has notified us that continued advances would constitute unsafe business practice.

In the event that we suspend your right to additional advances or reduce your credit line, we will send notice of our decision at the address listed on your Platinum Home Equity Line application. You should inform us of any change in your address by writing to us. If we have based our decision to suspend or reduce your credit privileges on an assessment of your financial condition or performance under this plan, and you believe that your situation has changed, you must request that we re-evaluate your situation, and reinstate your credit privileges.

9. **Enforcement:** We can delay enforcing any of our rights under this Note without losing them. When you are in default under the Note we can sue you to enforce our rights. We can also sue anyone who signs this Note as “co-maker”, “co-signer”, or “guarantor”, or both.

10. **Foreclosure:** When you are in default, we have the right to demand payment in full of all the money you owe us under this Note and the real estate mortgage. We also have the right to begin foreclosure proceedings under the real estate mortgage. Before we can take either of these actions, however, we must send you a notice telling you what we plan to do, and what you can do to correct the default and prevent us from taking these actions.

11. **If you sell or transfer real estate:** Under the real estate mortgage, we have the right to demand payment in full if you sell or transfer the real estate described in the real estate mortgage. There are some exceptions to this right, which are described in more detail in the real estate mortgage. If we do demand payment in full following a sale, you will be in default if you fail to pay us in full within 30 days after we send you notice of our demand.

12. **Credit checks:** By signing this Note, you authorize us to make such investigations from time to time as we think is necessary concerning your employment, your credit standing and your financial responsibility. Your signature also permits us to tell credit rating bureaus and other creditors about our experience with you, such as, if you make your payments on time.

13. **Change of Terms:** We may change the terms of this Note as follows: 1) if such change is specifically authorized in this Note, 2) where the “INDEX” is no longer available, as permitted by law and/or regulation, 3) where the change will benefit you throughout the remaining term of this Note, 4) where the change is “insignificant”, or 5) as otherwise permitted by law and/or regulation. We will notify you of such a change by mailing a notice of the change to you at your last known address. You also understand that any such notice will be mailed at least fifteen (15) days prior to the effective date of the change or as required by federal or other law. Notice of Change in Terms is required, but may be sent as late as the effective date of the change where the change has been agreed to in writing by you.

14. **Original Note Retained by Credit Union:** In order to comply with certain laws, the original of this contract with your signature(s) on it must be kept by the Credit Union. However, you have been furnished with an exact copy of this agreement to keep for your records. If you lose your copy, give us a call and we will send you another.



15. **Payment Holiday Option:** At our option, we may allow you a "Payment Holiday" which means that you may be allowed to skip meeting the minimum payment in an agreed month. If you accept the "Payment Holiday" we will continue to apply the FINANCE CHARGES but no late payment charges will be imposed. For the month following a "Payment Holiday" all terms disclosed herein (including minimum payment requirements and any applicable late payment charges) would again apply.

16. **Payoff Requests:** We must have ten days written notice for payoff requests. All unused Convenience Checks must be returned to the Credit Union at the time of the request. A payoff letter cannot be processed until all Convenience Checks have cleared. Once the payoff letter has been sent you will not be able to obtain further advances under this agreement.

17. **Foreign Transactions:** Purchases and cash advances made in foreign countries and foreign currencies will be billed to you in U.S. dollars. The conversion rate to dollars will be at (a) the wholesale market rate or (b) the government-mandated rate; whichever is applicable, in effect one day prior to the processing date, increased by one percent (1%).

18. **Return and Adjustments:** Merchants and others who honor the Card may give credit for returns or adjustments, and they will do so by sending in a credit slip which will be posted to your Account. If your credits and payments exceed what you owe us, we will hold and apply this credit balance against future purchases and cash advances, or if it is \$1.00 or more, refund it on your written request or automatically after three (3) months.

19. **Issuance and Surrender of Card(s):** Card(s) will be issued with expiration dates of five (five) years from the date of issuance during the Draw Period. The Card(s) remain our property and, if we request, you must surrender to us all Card(s) we have issued on the Account.

20. **Responsibility:** You agree to repay us according to the terms of this Note for all purchases, cash advances, FINANCE CHARGES, and late charges, if any, arising from the use of the Card by you or any other person you permit to use the Card, even if that person exceeds your permission. Any person using the Card is jointly and severally responsible with you. Your obligation to pay the account balance continues even though an agreement, divorce decree, or other court judgment to which we are not a party may direct you or one of the other persons responsible to pay the account.

You agree to notify us immediately if your card is lost, stolen or used without your authorization at:

Credit Card Security Department  
PO Box 31112  
Tampa, FL. 33631  
Telephone: (800) 449-7728

You may be liable for the unauthorized use of your PLATINUM HOME EQUITY VISA Credit Card. You will notify us at the address above, orally or in writing of the loss, theft or possible unauthorized use. In any case, your liability will not exceed \$50.00. For the first instance, we will replace your lost or stolen card(s) at no charge. For the second and each subsequent replacement of each lost or stolen card(s) you will be charged a \$25.00 fee.

We will send you a monthly billing statement reflecting transactions on your Account during the previous billing period (intervals of approximately one month which we call "Billing Cycles"). The monthly billing statement will identify the merchant or financial institution at which transactions were made, but sales, cash advance, credit or other slips cannot be returned with the billing statement. You will retain the copy of such slips furnished at the time of the transaction in order to verify the monthly billing statement. We may charge you \$5.00 for each photocopy of a slip you request.

21. **Additional Security:** You understand and agree that your Note is also secured by any proceeds of the security, any insurance proceeds, (whether or not we require the insurance), any insurance premium refunds, and by an assignment of rents.

22. **Mutual Modification:** You and the Credit Union may mutually agree in writing to modify this Note, as permitted by law, including but not limited to an extension of the Draw Period and/or Repayment Period. You understand that if you enter into a Mutual Modification Agreement with us, that you will continue to be subject to the terms and conditions set forth herein, except where specifically modified by the Mutual Modification Agreement. You also understand that you shall be required to pay a processing fee not to exceed one percent (1%) of your credit limit under this Note for any costs we incur with regards to the modification including, but not limited to, the costs of an appraisal, title search and report; title insurance and recording fees.



23. **Membership Requirements:** You understand that Federal law requires that you be and remain a member in good standing with us to be eligible for Future Advances during the Draw Period under this Note. You also understand that we may suspend your borrowing privileges during any period in which you do not maintain your membership with us.

24. **Termination:** We may terminate this Note immediately upon your default; you may terminate this Note at anytime. In no event shall any termination relieve you of your obligations to repay your unpaid balance, late charges, (if any), other charges (if any) and FINANCE CHARGES.

25. **Assumption:** Someone buying the real estate that serves as security for this Note **will not** be allowed to assume this Note and the Mortgage.

26. **Status of Security:** You own the real estate that serves as security for this Note and there are no liens against it other than those of record on the date of this Note. You agree to perform all acts, which we deem necessary to make the Mortgage enforceable. You agree not to allow any other liens to exist against it and you agree to pay the costs of protecting the security, including collections costs, reasonable attorneys' fees, and court costs.

27. **Governing Law:** You understand and agree that this Note is made in Michigan and shall be governed by the laws of the State of Michigan to the extent that Michigan law is not inconsistent with controlling Federal law. You also understand and agree that Michigan's choice of law rules shall not be applied if that would result in the application of non-Michigan law.

#### **ADDITIONAL TERMS APPLICABLE TO VISA CONVENIENCE CHECKS**

**Check Uses:** You can use your VISA Convenience Checks ("Check" or "Checks"), accessing your Platinum Home Equity Account, to purchase goods and services or to obtain cash up to the amount of your Credit Limit. Use of your Checks is an advance on your Account.

**Limitations:** The Credit Union may periodically issue VISA Convenience Checks or you can request VISA Convenience Checks in groups of three (3) during the Draw Period. We are not required to honor a Check that will cause you to exceed your Credit Limit. We will not have to pay a Check if at the time the Check is presented, you are in default or we have suspended, terminated or cancelled your Account. Each Check must be the form we have issued to you. Only the person whose name is printed on the Check may use checks. You are responsible for all unauthorized use of the Checks. You may not use the Checks to pay any amount, which you owe us under your Account. We will not be liable for any losses resulting from our dishonor of a check due to oversight or inadvertence.

**Monthly Billing Statements:** Your monthly billing statement will show you an itemization of the checks posted to your Account during the billing cycle. Checks paid by us will not be returned to you with your monthly billing statement.

**Returned Check Exceeding Credit Limit Fee:** We will charge a fee for each returned Check, which will be billed to your Account if the Check(s) cannot be paid. (See current fee schedule)

**Stop Payment:** You may order stop payment on a Check, other than one that has been guaranteed, by notifying us in writing. We will charge a fee which will be billed to your Account when you place a stop payment on the Check(s). (See current fee schedule)

**Surrender Of Checks:** The Checks are our property. We reserve the right to revoke them at any time. You agree to return them at our request.



**NOTICE: SEE IMPORTANT INFORMATION REGARDING YOUR RIGHT TO DISPUTE BILLING ERRORS.**

See the Mortgage for additional terms and conditions.

|                          |           |
|--------------------------|-----------|
| 3/23/2009                | 3/23/2009 |
| Signature Michael Bishop | Signature |
| Date                     | Date      |
| 3/23/2009                | 3/23/2009 |
| Signature Celeste Bishop | Signature |
| Date                     | Date      |

*Acknowledgment by Non-Borrower Who Will Execute Mortgage. The undersigned understands and agrees and NuUNION CREDIT UNION agrees that the undersigned shall have no liability under this Note. However, the undersigned agree(s) to execute a Deed on the herein described security in favor of NuUNION CREDIT UNION and agrees that the security shall be subject to a security interest under the terms of this Note and the Mortgage.*

|           |      |           |      |
|-----------|------|-----------|------|
| Signature | Date | Signature | Date |
| Signature | Date | Signature | Date |

**YOUR BILLING RIGHTS  
KEEP THIS NOTICE FOR FUTURE USE**

The words You, Your and Yours mean each and all of those who sign the Note. The words We, Us and Ours mean NuUNION CREDIT UNION.

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

**NOTIFICATION IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR BILLING STATEMENT**

If you think your billing statement is wrong, or if you need more information about a transaction on your billing statement, you must write to us on a separate sheet at the address listed on your billing statement. You should write to us as soon as possible. We must hear from you no later than sixty (60) days after we sent you the first billing statement on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, you should 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.



## **YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE**

We must acknowledge your letter within thirty (30) days, unless we have corrected the error by then. Within ninety (90) days, we must either correct the error or explain why we believe the billing 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 the billing statement that are not in question.

If we find that we made a mistake on your billing 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 billing 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 us within ten (10) days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your billing 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 \$50.00 of the questioned amount, even if your billing statement was correct.

### **SPECIAL RULE FOR CREDIT CARD PURCHASES**

If you have a problem with the quality of property or services that you purchase 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. These 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 \$50.00

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