

Instructions for Completing the Coastal Federal Credit Union Graduate Student Loan Application For International Students

Information for Executive MBA Students

- Maximum loan limit is the cost of tuition minus deposit and other financial aid, subject to a \$170,000 limit.
- Minimum loan amount is \$5,000
- Minimum monthly payment amount is \$100 for standard repayment.
- Prime Rate + 5.00% with no fees. Annual Adjustment. For the 2009 year, interest will accrue at 8.25%. Please see the Graduate Student Loan Variable Rate section in the Graduate Student Loan Addendum for more information.
- Unpaid interest that accrues while you are in school will be capitalized (added to your loan amount) as provided in the Graduate Student Loan Addendum. You will then pay interest on a higher loan amount unless you choose to pay the accrued interest before the repayment period begins.
- Repayment begins six months after you graduate, leave school or cease to meet approved enrollment requirements. You can always prepay loans at any time without penalty.
- You can be eligible for a rate reduction of 0.125% if automated payments from a Coastal Account are set up.
- For a requested loan amount of \$50,000, an APR of 8.25%, an interest rate calculated by adding 5.00% to the current Prime Rate of 3.25%, and a repayment term of 300 months, borrowers will approximately owe monthly payments of \$394.43 in principal and interest.
- APR Assumptions: The APR is effective as of May 1, 2009. The APR is a variable rate loan and will increase if the Prime Rate increases, as will the payment amount, but for purposes of this calculation, we have assumed that the interest rate does not change.

Borrower

1. To apply for a **Graduate Student Loan**, you must:
 - be enrolled at a regionally accredited graduate business degree granting educational institution where it has been approved for full participation in the federally guaranteed student loan program by the United States Secretary of Education and meets default rate requirements of Coastal Federal Credit Union or its insurer,
 - meet the enrollment requirements approved for the school,
 - be at least a half-time student as defined by said education institution,
 - meet specific credit requirements before you can be approved for the loan.
2. Read all information contained in this packet. Please pay particular attention to the Loanliner Plus Lending Disclosure and the Graduate Student Loan Addendum. This is a legal contract binding you to the terms and conditions of the loan.
3. You must be 18 years of age to apply.
4. You must legibly complete all applicable fields to ensure timely processing of your application.

Supplemental Instructions

Membership Account Card:

1. Member Eligibility: select the 4th option and write "I attend school at Fuqua School of Business".
2. Products and services: Select Primary Savings. *Attach a check or money order with the loan package for the amount of \$25.*

These funds will be applied to your savings account as a minimum balance and are not fees to join.

3. Do not sign this application until you are in front of a US certified Notary or in front of an authorized Coastal employee.

Open-End Application and Plan Signatures Plus:

1. Select "Other" as the type of credit you are applying for and write in: **Graduate Student Loan**
2. If you do not have income or employment, you may skip these fields.
3. Ignore the Credit Insurance Application & Schedule section.
4. Do not sign this application until you are in front of a US certified Notary or in front of an authorized Coastal employee.

Educational Loan Advance Application:

- Please fill out all sections carefully and the Financial Aid Office must certify before this application is complete.

What is Next?

1. Give the completed, original, signed applications along with all documentation to your school's Financial Aid Office.
2. Please be sure your Social Security Number/Tax Identification number/Alien Identification number/Passport number is written on any additional documentation (CIS Form/ student visa, etc.).
3. Your school will certify your application and send it directly to Coastal Federal Credit Union.
4. Approvals will be processed and notification sent to the Financial Aid Office by August 1.
5. Coastal Federal Credit Union can be reached through email at consumerlending@coastalfcu.org or if information is confidential (CIS Form/ student visa, etc.) it should be faxed to 919-420-8080.



PO Box 58429; Raleigh, NC 27658-8429

MEMBERSHIP ACCOUNT CARD

Account Number

Date Opened

PRIMARY OWNER

Name (first/middle/last)		Social Security Number	
Street Address		City / State / Zip	
Post Office Box		City / State / Zip	
Home Phone	Date of Birth	Driver's License Number or ID/State	Mother's Maiden Name
Employer		Business Phone / Extension	
Male	Female	E-mail Address	

Please check one:

Membership Eligibility

I am a current or retired employee of _____

I am the _____ of _____
(relationship, i.e., mother, son) (eligible member's name)

I am a current member of _____
(association)

I live, work, worship or attend school at the following address: _____

North Carolina Consumers Council (I elect to become a member of the North Carolina Consumers Council (NCCC) as described in the Membership Account Agreement. Coastal will cover the first year NCCC membership fee.)

PLEASE SELECT FROM THE FOLLOWING PRODUCTS/SERVICES

- | | | |
|-------------------|-------------------|--|
| Primary Savings | Go Green Checking | Certificate _____ term (7 day, 12 month, etc.) |
| Standard Checking | Money Market | Visa Check Card (18 years or older) |
| Basic Checking | Christmas Savings | Audio Response (AMIE) |
| Dividend Checking | Special Savings | Internet Banking (Online Banking) |

DESIGNATION OF BENEFICIARY

This designation shall be effective when delivered and filed with the Credit Union, duly executed by an insured member, during the lifetime of the beneficiary designated. I being a member of Coastal Federal Credit Union, do hereby designate:

Name _____ Relationship _____
(relationship, i.e., mother, son, friend)

Address _____

as my beneficiary, if living, to receive any and all sums of money paid under and by virtue of the terms and conditions of the Insurance Contract, Life Savings Plan of the CUNA Mutual Insurance Society, to said Credit Union. I understand that I may change the designated beneficiary only by executing a Subsequent Designation of Beneficiary form, which must be delivered and filed with the Credit Union. Payment of proceeds to a designated beneficiary or, if none, to the beneficiary determined by the Credit Union as entitled to such proceeds under said Contract shall discharge the Credit Union from any and all liability, under the contract or otherwise.

TIN CERTIFICATION AND BACKUP WITHHOLDING INFORMATION

By signing below, I certify, in accordance with IRS W-9 instructions provided by the Credit Union and under penalties of perjury, that the Social Security Number (SSN) Taxpayer Identification Number (TIN) shown is my/the correct identification number and I am NOT, unless designated below, subject to backup withholding because I have not been notified that I am subject to backup withholding as a result of failure to report all dividends or interest, or because the IRS has notified me that I am no longer subject to backup withholding.

I am subject to backup withholding. Exempt (complete W-8 form) I am not a United States citizen or resident (W-8 if applicable).

AUTHORIZATION

By signing the application below, I certify that the information provided on this form is true, correct, and complete. I also agree to the terms and conditions of the Membership Account Agreement found on the back of this form, which I have read. A copy has been provided to me.

*The Primary Owner signature is required to be notarized if he/she cannot be present at the Credit Union for signing.

Voluntarily signed and sworn to (or affirmed) and subscribed before me this day.

Form of identification _____

State of _____ County _____

Primary Owner
Signature _____ Date _____

Notary Signature _____ Date _____

Notary Printed Name _____

My commission expires: _____

(Notary Seal)

Individual Credit: You must complete the **Applicant** section about yourself and the **Other** section about your spouse if:
 1. you live in or the property pledged as collateral is located in a community property state (AK, AZ, CA, ID, LA, NM, NV, TX, WA, WI),
 2. your spouse will use the account, or
 3. you are relying on your spouse's income as a basis for repayment. If you are relying on income from alimony, child support, or separate maintenance, complete the **Other** section to the extent possible about the person on whose payments you are relying.

Check below to indicate the type of account(s) and type of credit for which you are applying. Married Applicants may apply for a separate account.

<input type="checkbox"/> LOANLINER Account:	<input type="checkbox"/> Individual <input type="checkbox"/> Joint	<input type="checkbox"/> Credit Card Account:	<input type="checkbox"/> Individual <input type="checkbox"/> Joint
<i>(Including ATM/Debit Card Access to the Account if Available)</i>		<i>(See Disclosure Table or Agreement for Terms)</i>	
	Amount Requested		Limit Requested
<input type="checkbox"/> Auto	\$ _____	<input type="checkbox"/> Infinity VISA®	\$ _____
<input type="checkbox"/> Boat	\$ _____	<input type="checkbox"/> VISA® Platinum	\$ _____
<input type="checkbox"/> Computer	\$ _____	<input type="checkbox"/> VISA® Gold II	\$ _____
<input type="checkbox"/> Line of Credit	\$ _____	<input type="checkbox"/> VISA® Limit Increase	\$ _____
<input type="checkbox"/> Signature	\$ _____	<input type="checkbox"/> Coastal FCU Credit Card Number _____	
<input type="checkbox"/> Other _____	\$ _____		

Purpose/Collateral: _____
Repayment: Payroll Deduction Cash Military Allotment Automatic Payment Other _____

FOR CREDIT CARD APPLICANTS ONLY If you are applying for a credit card account and wish to have two (2) or more cards issued, check the appropriate box(es) below.
 Please issue an additional card (with the same number as mine) in the name of the co-applicant who completed and signed this application.
 Please issue an additional card in my name. I authorize a family member to use it and I accept full responsibility for all charges and/or cash advances just as though I made them.
 Please issue an additional card in the name of the authorized user. I authorize him/her to use it and I accept full responsibility for all charges and/or cash advances just as though I made them.

 Name of Authorized User Social Security Number Signature

APPLICANT			
NAME (Last - First - Initial)			
ACCOUNT NUMBER		MOTHER'S MAIDEN NAME	
DRIVER'S LICENSE NUMBER/STATE		WORK PHONE	
SOCIAL SECURITY NUMBER	BIRTH DATE	HOME PHONE	
PRESENT ADDRESS (Street - City - State - Zip)			<input type="checkbox"/> OWN <input type="checkbox"/> RENT
			YEARS AT THIS ADDRESS
MORTGAGE/RENT OWED TO:			
MORTGAGE BALANCE	MONTHLY PAYMENT	VEHICLE PAYMENT	
\$ _____	\$ _____	\$ _____	
COMPLETE FOR JOINT CREDIT, SECURED CREDIT OR IF YOU LIVE IN A COMMUNITY PROPERTY STATE: <input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED <input type="checkbox"/> UNMARRIED (Single - Divorced - Widowed)			
EMPLOYMENT/INCOME			
NAME AND ADDRESS OF EMPLOYER			
TITLE/GRADE		<input type="checkbox"/> TEMPORARY <input type="checkbox"/> PERMANENT	
STARTING DATE	SHIFT/HOURS	SELF-EMPLOYED	TYPE OF BUSINESS
		<input type="checkbox"/> YES <input type="checkbox"/> NO	
NOTICE: ALIMONY, CHILD SUPPORT, OR SEPARATE MAINTENANCE INCOME NEED NOT BE REVEALED IF YOU DO NOT CHOOSE TO HAVE IT CONSIDERED.			
EMPLOYMENT INCOME		OTHER INCOME	
\$ _____ Per Month		\$ _____ Per Month	
<input type="checkbox"/> NET <input type="checkbox"/> GROSS SOURCE			
REFERENCE		RELATIONSHIP	
NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU		HOME PHONE	

OTHER				<input type="checkbox"/> CO-APPLICANT	<input type="checkbox"/> SPOUSE
NAME (Last - First - Initial)					
ACCOUNT NUMBER			MOTHER'S MAIDEN NAME		
DRIVER'S LICENSE NUMBER/STATE			WORK PHONE		
SOCIAL SECURITY NUMBER	BIRTH DATE	HOME PHONE			
PRESENT ADDRESS (Street - City - State - Zip)					<input type="checkbox"/> OWN <input type="checkbox"/> RENT
					YEARS AT THIS ADDRESS
MORTGAGE/RENT OWED TO:					
MORTGAGE BALANCE	MONTHLY PAYMENT	VEHICLE PAYMENT			
\$ _____	\$ _____	\$ _____			
COMPLETE FOR JOINT CREDIT, SECURED CREDIT OR IF YOU LIVE IN A COMMUNITY PROPERTY STATE: <input type="checkbox"/> MARRIED <input type="checkbox"/> SEPARATED <input type="checkbox"/> UNMARRIED (Single - Divorced - Widowed)					
EMPLOYMENT/INCOME					
NAME AND ADDRESS OF EMPLOYER					
TITLE/GRADE			<input type="checkbox"/> TEMPORARY <input type="checkbox"/> PERMANENT		
STARTING DATE	SHIFT/HOURS	SELF-EMPLOYED	TYPE OF BUSINESS		
		<input type="checkbox"/> YES <input type="checkbox"/> NO			
NOTICE: ALIMONY, CHILD SUPPORT, OR SEPARATE MAINTENANCE INCOME NEED NOT BE REVEALED IF YOU DO NOT CHOOSE TO HAVE IT CONSIDERED.					
EMPLOYMENT INCOME			OTHER INCOME		
\$ _____ Per Month			\$ _____ Per Month		
<input type="checkbox"/> NET <input type="checkbox"/> GROSS SOURCE					
REFERENCE			RELATIONSHIP		
NAME AND ADDRESS OF NEAREST RELATIVE NOT LIVING WITH YOU			HOME PHONE		

STATE LAW NOTICES **OHIO RESIDENTS ONLY:** The Ohio laws against discrimination require that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual upon request. The Ohio Civil Rights Commission administers compliance with this law.

WISCONSIN RESIDENTS ONLY: (1) No provision of any marital property agreement, unilateral statement under Section 766.59, or court decree under Section 766.70 will adversely affect the rights of the Credit Union

unless the Credit Union is furnished a copy of the agreement, statement or decree, or has actual knowledge of its terms, before the credit is granted or the account is opened. (2) Please sign if you are **not** applying for this account or loan with your spouse. The credit being applied for, if granted, will be incurred in the interest of the marriage or family of the undersigned.

X _____
 SIGNATURE FOR WISCONSIN RESIDENTS ONLY DATE

SIGNATURES

1. You promise that everything you have stated in an application included in or attached to this document is correct to the best of your knowledge. If there are any important changes you will notify us in writing immediately. You authorize the Credit Union to obtain credit reports in connection with the application for credit and any update, renewal or extension of the credit received. You understand that the Credit Union will rely on the information in the application and your credit report to make its decision. If you request, the Credit Union will tell you the name and address of any credit bureau from which it received a credit report on you. It is a federal crime to willfully and deliberately provide incomplete or incorrect information on loan applications made to federal credit unions or state chartered credit unions insured by NCUA.

2. You have received and read the LOANLINER Credit and Security Agreement, Addendum ("Agreement") and Credit Insurance Certificate. You promise to repay to the Credit Union all advances made to you under this Plan and any applicable charges described in the Addendum together with interest on what you owe until the total amount has been repaid. By signing below, by endorsing the proceeds check or by using the amount advanced and deposited to your share/share draft account, you agree to be bound by the terms of the LOANLINER Credit and Security Agreement and the agreement for each other service selected on the application. You agree: (1) that the property described in the Security Offered section

(Property) of any Disbursement Receipt PLUS of even date with any advance, is security under the terms of the LOANLINER Credit and Security Agreement (the Plan) for all amounts you owe under the Plan and that the property description is incorporated into and a part of the Plan; (2) that the Property is also security for any other loans, including but not limited to, any credit card loan that you have now or in the future; (3) that you will make the payments disclosed in accordance with the terms of the Plan.

3. If you are applying for a credit card, you understand that use of your card will constitute acknowledgment of receipt and agreement to the terms of the credit card agreement and disclosures.

4. You grant us a security interest in your share accounts to secure what you owe under the LOANLINER Credit and Security Agreement and if you have applied for a credit card, under the Credit Card Agreement. You authorize us to apply the balance in your individual and joint share accounts at the time of default to pay 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.

(SEAL)

(SEAL)

X _____ **X** _____
 APPLICANT'S SIGNATURE DATE OTHER SIGNATURE DATE

NOTARY PUBLIC

STATE OF _____ SS COUNTY OF _____

I, a Notary Public of the County and state aforesaid, certify that _____, personally appeared before me this day and acknowledge the execution of the foregoing instrument. Witness my hand and official stamp or seal this _____ day of _____, _____.

My Commission expires: _____ Notary Public

CREDIT INSURANCE APPLICATION & SCHEDULE CUNA Mutual Insurance Society • Madison, WI 53701-0391 • Phone: 800/937-2644

"You" or "Your" means the member and the joint insured (if applicable).

Credit insurance **is voluntary and not required in order to obtain this loan.** You may select any insurer of your choice. You can get this insurance only if you check the "yes" box below and sign your name and write in the date. The rate you are charged for the insurance is subject to change. You will receive written notice before any increase goes into effect. You have the right to stop this insurance by notifying your credit union in writing. Your signature below means you agree that:

- If you elect insurance, you authorize the credit union to add the charges for insurance to your loan each month.

- You are eligible for disability insurance only if you are working for wages or profit for 25 hours a week or more on the date of any advance. If you are not, that particular advance will not be insured until you return to work. If you are off work because of temporary layoff, strike or vacation, but soon to resume, you will be considered at work.

- You are eligible for insurance up to the Maximum Age for Insurance. Insurance will stop when you reach that age.

NOTE: THE LIFE AND DISABILITY INSURANCE CONTAINS CERTAIN BENEFIT EXCLUSIONS, INCLUDING A PRE- EXISTING CONDITION EXCLUSION. PLEASE REFER TO YOUR CERTIFICATE FOR DETAILS.

YOU ELECT THE FOLLOWING	YES	NO	COST PER \$100 OF YOUR MONTHLY LOAN BALANCE	COVERED MEMBER
INSURANCE COVERAGE(S)				
Single Credit Disability	<input type="checkbox"/>	<input type="checkbox"/>	\$.200	
Joint Credit Disability	<input type="checkbox"/>	<input type="checkbox"/>	\$.332	

If you are totally disabled for more than 14 days, then the disability benefit will begin with the 1st day of disability.

MEMBER'S ACCOUNT NUMBER	INSURANCE MAXIMUMS	DISABILITY	LIFE
NAME OF YOUR EMPLOYER	MAX. MONTHLY TOTAL DISABILITY BENEFIT	\$ 750.00	N/A
GROUP POLICY NUMBER	MAX. INSURABLE BALANCE PER LOAN ACCT.	\$50,000.00	\$50,000
032-0350-3	MAXIMUM AGE FOR INSURANCE	66	70
DATE	MEMBER'S DATE OF BIRTH	DATE	JOINT INSURED'S DATE OF BIRTH
		SECONDARY BENEFICIARY (If you desire to name one)	

X _____ **X** _____
 SIGNATURE OF MEMBER AGE SIGNATURE OF JOINT INSURED (CO-BORROWER) AGE
APP.835-1193NC (Be sure to check one of the boxes above)

FOR CREDIT UNION USE ONLY

DATE	SECURED	SIGNATURE	LINE OF CREDIT	VISA CARD	OTHER	DEBT RATIO/SCORE
	\$	\$	\$	\$	\$	\$
LOAN OFFICER			LOAN REVIEW COMMITTEE			
ADVANCE APPROVED: <input type="checkbox"/> YES <input type="checkbox"/> NO REFER TO SOA _____			ADVANCE APPROVED: <input type="checkbox"/> YES <input type="checkbox"/> NO REFER TO SOA _____			
<input type="checkbox"/> COUNTER OFFER WILL BE MADE, IF ACCEPTED, ADVANCE APPROVED			<input type="checkbox"/> COUNTER OFFER WILL BE MADE, IF ACCEPTED, ADVANCE APPROVED			
REASON(S) FOR REFERRAL:			LOAN REVIEW COMMITTEE SIGNATURES			
LOAN OFFICER SIGNATURE			DATE			



Educational Loan Advance Application

Academic Year 2009-2010

Section A: Borrower Information - Please read Instructions before completing this section

Student ID:	Name:	Preferred Phone Number:	Email:
Permanent address – Street Address:			
City:	State:	Zip Code:	Country:
Mailing address while in School – Street Address:			
City:	State:	Zip Code:	Country:
Requested Amount:	Enrollment Dates for which you want to borrow money (not to exceed program dates):		From: To:
Program:	<input type="checkbox"/> Global Executive MBA <input type="checkbox"/> Daytime MBA <input type="checkbox"/> Weekend MBA <input type="checkbox"/> Cross Continent – US <input type="checkbox"/> MMS		
Citizenship (Country of Origin: _____):			
<input type="checkbox"/> Non-Citizen Permanent Residents must submit a copy of their current Citizenship and Immigration Services (CIS) Form I-551: SSN/TIN/Alien Identification Number: _____			
<input type="checkbox"/> Foreign residents must submit a copy of their valid passport including the student's photo. These students must all fill out a W-8BEN. Passport number and country of issuance: _____			
References—You must provide two (2) adult references other than the borrower. One of them should be a relative.			
Full Name:		Full Name:	
Address:		Address:	
Phone:		Phone:	
Email:		Email:	
Relationship:		Relationship:	

Section B: Borrower Signature

AUTHORIZATION - I authorize the school and any custodian of the school's records to release to you, the U.S. Department of Education, the guarantor, if any, or their agents, any requested information pertinent to this loan (e.g., employment, enrollment status, current address). I also authorize you, your affiliates, your agents, and the guarantor or its agents, if any, to answer questions about your and their credit experience with me, and to release the results of the credit review process to the school or its agents. I further authorize you to release any other information on this loan to the school or its agents, to any subsequent holder of this loan, or its agents, and to the guarantor or its agents, if any. Finally, to the extent permitted by applicable law, I authorize you and your affiliates to share credit and other information about me, as well as copies of all applications, and disclosures, with each other, consumer reporting agencies, and other third parties.

CERTIFICATION: I hereby certify that all statements made in this Application are true and complete and are made for the purpose of obtaining a Graduate Student Loan Program advance. I have received a complete copy of the Loanliner Plus Lending Disclosure and the Graduate Student Loan Addendum and I hereby agree to be bound by the terms and conditions.

Borrower Print Name:	Borrower Signature:	Date:
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Section C: School Certification - Must be completed by an authorized school official.

Class Year: <input type="checkbox"/> First Year <input type="checkbox"/> Second Year	Disbursement Dates (mm/dd/yyyy):	Disbursement Amounts:
Projected Graduation Date (mm/dd/yyyy):	1. _____	1. _____
	2. _____	2. _____
Enrollment Period (mm/dd/yyyy) From Date: To Date:	3. _____	3. _____
	4. _____	4. _____
Enrollment Status: <input type="checkbox"/> Full-time <input type="checkbox"/> Part-time	Total Certified Amount:	
As an authorized representative of the school identified above, I hereby certify the following: (i) the borrower is eligible for a International Graduate Student Private Loan; (ii) the information completed in this school certification is accurate; (iii) the Total Certified Amount does not exceed the student's cost of attendance minus other financial aid; (iv) that school will notify Coastal Federal Credit Union if the borrower withdraws from the school; (v) if applicable, then prior to certification the school has complied with the disclosure requirements in Section 626(1) and all other provisions of the NY SLATE ACT, Law of New York Chapter 41, Article 13-B, Sections 620-632 (the "SLATE ACT"); (vi) as permitted under applicable law, that the school will provide information requested by Coastal Federal Credit Union related to the borrower, including without limitation contact information; and (vii) that the information provided is true, complete and correct to the best of my knowledge and belief.		
Authorized school official Sign and date:	Print or type Name and title:	Phone:

MEMBERSHIP ACCOUNT AGREEMENT

Membership Account Agreement. This document is subject to applicable federal laws and the laws of the state of North Carolina. As used in this agreement, the words "I", "me", "my", "you" or "your" refer to the primary owner. The words "Credit Union" refer to Coastal Federal Credit Union. Being within the field of membership, I hereby apply for membership in the Credit Union; I agree to conform to the Credit Union bylaws, Truth-In-Savings, Funds Availability Schedule, Fee and Rate Schedule and amendments thereto; subscribe for at least one share; and if joint owners are designated, I agree to the conditions printed on this form and the Account Change Card form. Under the penalties of perjury, **I certify that the information provided on this form is true, correct, and complete.** In accordance with the USA Patriot Act, we require documentary evidence to verify this information. In addition, I understand that a consumer credit report may be obtained from one or more consumer reporting agencies (credit bureaus, ChexSystems, etc.) for approval of this request. I understand that approval of my VISA Check Card will automatically entitle me to access the Credit Union automated teller machines (ATMs) and any Credit Union approved ATM networks. I agree that the services applied for on the front of this form are granted pursuant to the terms of the Electronic Funds Transfer Service (EFTS) Disclosures which will accompany the access card or service instructions. I also agree to abide and be bound by the terms of the agreements and disclosures of each service approved.

Any financial service provided by the Credit Union may be used for any transaction permitted by law. I agree that illegal use of any financial service will be deemed an action of default and/or breach of contract and such service and/or other related services may be terminated at the Credit Union's discretion. I agree to hold the Credit Union harmless with regard to any claims, suits or other legal actions arising from or related to such illegal use. In addition, if I use any Credit Union service in an illegal manner, or facilitate or participate in any such illegal use of Credit Union services, I agree to indemnify the Credit Union from any loss, liability or expense (including attorney's fees) arising from or related to such illegal use of Credit Union services.

If I fail to provide the Credit Union with the correct Tax Identification Number (TIN), any fees that may be imposed on the Credit Union resulting from this error will be assessed to my account.

Any objection with respect to any item shown on a statement of account shall be waived unless made in writing on or before the thirtieth (30th) day following the day the statement is mailed.

This account shall be subject to service charges in accordance with Fee Schedules adopted by the Credit Union from time to time.

The use of this account is subject to such other terms, conditions and requirements as the Credit Union may establish from time to time. The Credit Union reserves the right to terminate this account without notice or consent if it is not maintained in accordance with normal financial practices.

I may pledge all or any part of the shares in this account as collateral security to a loan or loans. However, the Credit Union may require that pledged shares be transferred to another account.

The right or authority of the Credit Union under this Agreement shall not be changed or terminated by any of the owners except by written notice to the Credit Union, which shall not affect transactions already made, and shall be effective upon receipt by the Credit Union.

All non-cash payments on shares will be credited subject to final payment.

Collections. I will be responsible for all expenses incurred by the Credit Union as a result of my account status; these expenses include but are not limited to collection costs, attorney fees, etc.

Credit Union Lien and Security Interest. The Credit Union has a statutory lien in all shares and dividends held in any account(s) from which I may make withdrawals (except Individual Retirement Accounts). In the event of a failure to satisfy any outstanding financial obligation due and payable to the Credit Union, the Credit Union may exercise the statutory lien without further notice to a member or corresponding joint owner(s). The Credit Union may apply these funds in any order to pay off my indebtedness. By not enforcing the statutory lien, the Credit Union does not waive the right to enforce it later. In addition, I grant the Credit Union consensual security interest in my accounts, and the Credit Union may use the funds now or hereafter due and payable to the Credit Union, consistent with this agreement and applicable laws and regulations.

Checking Account Agreement. I hereby authorize the Credit Union to establish a Checking Account for me. The Credit Union is authorized to pay checks signed by me and to charge the payments against my account. I further agree to all of the terms and conditions listed below:

- Only checks purchased through the Credit Union and/or other methods approved by the Credit Union may be used to withdraw funds from this account.
- If a check drawn is payable on a future date and I do not notify the Credit Union immediately that this check is not to be honored before the payment date, and the Credit Union prematurely pays the check in the regular course of business, I agree that the Credit Union shall have no liability to me for such payment. Checks are paid as presented, based solely on the account number and amounts.
- The Credit Union is under no obligation to pay any check or debit, which exceeds the collected balance in the account. However, the Credit Union may, at its discretion, pay such a check or debit and charge the amount of the resulting overdraft, plus a service charge (as disclosed in our then-current published schedule of "Fees and Service Charges"), against this account or any account from which an account signatory is entitled to withdraw shares.
- If checks are written for funds in excess of the account balance, I hereby authorize the Credit Union to prepare a request for an advance against my loan account(s). Each advance is subject to approval by the Credit Union. When approved, these funds will be credited to this account in increments specified by the Credit Union necessary to pay the checks.
- Except for negligence, the Credit Union is not liable for any action it takes regarding the payment or non-payment of a check.
- I agree to notify the Credit Union immediately if any check(s) is lost or stolen.

This Agreement is governed by the provisions of Section 54-109.58 of the General Statutes of North Carolina, regarding the establishment and operation of joint accounts.

The North Carolina Consumers Council (NCCC) is a nonprofit, statewide consumer advocacy organization that represents North Carolina consumers by researching and lobbying for consumer issues on a state and federal level, distributing consumer information and other activities. NCCC is affiliated with the Consumer Federation of America, a national consumer advocacy organization. By electing to join NCCC I agree to support this purpose and agree to abide by the terms of membership as they may be amended from time to time. www.nccconsumer.org

IMPORTANT! RETAIN FOR FUTURE REFERENCE

LOANLINER® Credit and Security Agreement And Truth In Lending Disclosure

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 Coastal Federal Credit Union or anyone to whom the Credit Union transfers its rights under the 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 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. 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.

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

FINANCE CHARGE — 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.

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. **Statutory Lien** — If you are in default on a financial obligation to us, federal law gives us the right to apply the balance of shares and dividends in all individual and joint accounts you have with us to satisfy that obligation. After you are in default, we may exercise this right without further notice to you. **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 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.

VOLUNTARY PAYMENT PROTECTION — We may offer Voluntary Payment Protection to you. Voluntary Payment Protection is not necessary to obtain credit. If you purchase Voluntary Payment Protection from us, you authorize us to add the fees or insurance charges monthly to your loan balance and charge you interest on the entire balance. At our option we will change your payment or the period of time necessary to repay the loan balance. The rate used to determine the fees or insurance charges may change in the future. If the rate changes, we will provide any notices required by applicable law.

PERIODIC STATEMENT — On a regular basis you will receive a statement showing all transactions under the Plan during the period covered by the statement. 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.

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 account holder 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 and Maine:* 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 be in default if any property you have given us as security is repossessed by someone else, seized under a forfeiture or similar law, or if anything else happens that significantly affects the value of the property or our security interest in it. 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 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. If the property is a motor vehicle or boat, you agree that we may obtain a key or other device necessary to unlock and operate it, when you are in default. 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 for 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 disposition or the date after which a private disposition 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.

You must 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. 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 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 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 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, except to the extent that your liability 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 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 PROVISIONS — 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. If asked to do so, you promise to sign a financing statement. You also 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.

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.

CPFM02

VISA® Credit Card Agreement And Truth In Lending Disclosure

In this Agreement/Disclosure Statement the following words have the following meanings. The words **we, us** and **our** refer to Coastal Federal Credit Union. The words **you** and **your** mean all of those who have signed the Application for the VISA® Card and those who sign, accept, use, retain or authorize the use of the VISA® Card. **Agreement** includes this Agreement/Disclosure Statement. In addition, the following definitions apply: **Card** means the VISA® Gold II Card, VISA® Platinum Card, VISA® Infinity, VISA® Classic or VISA® Gold I Card issued to you by us. **Checks** mean Cash Advance Checks; **Emergency Cash** means Emergency Cash Disbursement Requests; **Check Cashing** means Special Check Cashing Service. **Automated Teller Machine (ATM)** means Coastal Federal Credit Union machines and any other similar machines subsequently made available by the Credit Union to you to perform transactions on your accounts with the Credit Union; **Personal Identification Number** means the code number given to you which you must use together with the Card to operate the Automated Teller Machine (ATM) and any other automated teller machines subsequently made available to you. This code number may also be referred to as the PIN number.

You have asked for one or more Cards. Use of your credit card will constitute acknowledgment of receipt and agreement to the terms of the Credit Card Agreement and disclosures. Furthermore, you are requesting Card(s) that will enable you to use the Automated Teller Machine (ATM) and any other automated teller machines subsequently made available to you to perform transactions on your Credit Union accounts referred to in this Agreement by using the Card(s).

You understand that if you have a joint VISA® account or have authorized the issuance of additional Cards, you are authorizing the joint signer and any other authorized Card holder to perform transactions on any of your accounts by use of the Automated Teller Machine (ATM) or any other authorized automated teller machines with the same authority as if you were doing it yourself. The Credit Union will give you a Personal Identification Number (PIN) which must be used with the access Card to operate the automated teller machines. You agree not to write your PIN on the Card. If you do, we may terminate your right to use the Card as well as your other credit privileges under this Agreement. If we issue you the Card(s) that you have asked for, you agree to abide by the terms of this Agreement, both in using the Cards and in making your payments to us.

In this Agreement we will call the advances we make for you, or anyone else you authorize, to purchase goods and services your "Goods and Services." We will call the advances we make to cover cash advances, cash withdrawals, checks, requests, emergency cash, check cashing, and any overdrafts resulting from your use of any check cashing services that we may provide you "Cash."

1. EFFECTIVE DATE — When we have notified you of the approval of your Application and of the beginning Maximum Credit Limit for which you have been approved, this Agreement will become fully effective. You agree that consummation of this Agreement will have occurred in the State of North Carolina.

2. RESPONSIBILITY FOR CREDIT EXTENSIONS — You will be and remain responsible for all authorized credit extended by merchants, banks or other honoring the Card, and to us prior to surrender of the Card when such credit is extended on the basis of the Card. When participating organizations offer cash advances, withdrawals, emergency cash, check cashing, or loans on the basis of the Card, all such loans shall be repaid by you to us. For any check cashing transaction where payment is rejected, for any reason, on the item that was negotiated the amount of the transaction shall be considered an advance of Cash and subject to the terms and conditions of this Agreement that govern Cash. In addition, any fees paid by us which arise from your misuse of the Card shall be assessed to your account and considered an advance of Cash.

3. CARD USE AND CONDITIONS — Under this Agreement and/or an Unsecured Line of Credit, the Card and PIN number may be used to obtain loan advances, which you promise to repay to the Credit Union. All of the terms and conditions of the written Agreements which you previously made with the Credit Union regarding the use of your Regular Share Account, Checking Account, or Unsecured Line of Credit will apply to all of the transactions in which the Card and an automated teller machine are used, unless any term of those Agreements conflicts with the terms of this Agreement in which case the terms of this Agreement will control. You agree that you will not use your card, checks or account for any transaction that is illegal under applicable federal, state, or local law.

4. YOUR PROMISE TO PAY — It is essential that you make your payments on time and keep your promises under this Agreement. You agree to pay, at such places as we designate, obligations evidencing credit extension and all finance and other charges applicable and as disclosed in this Agreement, including costs of collection and reasonable attorneys' fees we incur if legal action is taken to collect your account, as well as all costs of appeals.

5. FINANCE CHARGES/"GOODS AND SERVICES" —

Method G: (VISA® Gold II, VISA® Platinum, and VISA® Infinity, VISA® Classic, VISA® Gold I Credit Purchases) Finance Charges will be imposed on Credit Purchases only if you elect not to pay the entire New Balance shown on your monthly statement for the previous billing cycle within 25 days from the closing date of that statement. If you elect not to pay the portion of the new balance attributable to purchases within that 25-day period, a Finance Charge will be imposed on the unpaid average daily balance of such Credit Purchases from the previous statement closing date and on new Credit Purchases from the date of posting to your account during the current billing cycle, and will continue to accrue until the closing date of the billing cycle preceding the date on which the portion of the new balance attributable to purchases is paid in full or until the date of payment if more than 25 days from the closing date.

The Finance Charge for a billing cycle is computed by applying the monthly Periodic Rate and corresponding Annual Percentage Rate as disclosed in the Addendum, 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.

Method A: (VISA® Gold II, VISA® Platinum, and VISA® Infinity, VISA® Classic or VISA® Gold I Card Cash Advances)

Finance Charges imposed as to Cash (Loans) obtained and charged to your account through use of the Card, Checks, or Requests — all of which activities are collectively referred to below as "Cash Advances."

A Finance Charge will be imposed on Cash Advances and Credit Purchases from the date made or from the first day of the billing cycle in which the Cash Advance or Credit Purchase is posted to your account, whichever is later, and will continue to accrue until the date of payment.

The Finance Charge for a billing cycle is computed by applying the monthly Periodic Rate and corresponding Annual Percentage Rate as disclosed in the Addendum, to the average daily balance of Credit Purchases (including new purchases) and Cash Advances. Average Daily Balances for Cash Advances and Credit Purchases are calculated separately.

The average daily balance 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 is determined by adding to the Previous Balance (the outstanding balance of your account at the beginning of the billing cycle) any new cash advances received on any new credit purchases posted to your account and subtracting any payments as received or credits as posted to your account, but excluding any unpaid finance charges.

6. SECURITY FOR THIS ACCOUNT — To secure your credit card account, you grant us a purchase money security interest under the Uniform Commercial Code in any goods you purchase through the account. If you default, we will have the right to recover any of these goods which have not been paid for. As a condition for the approval of your VISA® account you grant us a specific pledge of your credit union shares (deposits).

PLEDGE OF SHARE ACCOUNT(S) — NOTE: You pledge to us and grant a security interest in all individual and joint accounts you have with us now and in the future, to secure your VISA® Credit Card account. You authorize us to apply the balance in these account(s) to pay any amounts due under this agreement if you should default. 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.

Collateral securing other loans you have with the Credit Union may also secure this loan, except that your home will never be considered as security for this Account, notwithstanding anything to the contrary in any other agreement.

7. CARD IS LOST OR STOLEN OR IF AN UNAUTHORIZED USE MAY OCCUR — You may be liable for the unauthorized use of your credit 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. In any case, your liability will not exceed \$50.00 for unauthorized cash advances at ATMs. You will have no liability for unauthorized purchases made with your credit card unless you are grossly negligent in the handling of your card. You agree to notify us immediately if your Card is ever lost or stolen or if an unauthorized use may have occurred. The telephone number to call is 1-800-808-7230 (from 7:00 a.m.-7:00 p.m. CST) and 1-800-991-4964 after hours. You agree to follow up your call with notice in writing to us at: Credit Card Security Department, PO Box 58429, Raleigh, NC 27658. You also agree to assist us in determining the facts, circumstances and other pertinent information relating to any loss, theft or possible unauthorized use of your credit Card and comply with such procedures as we may require in connection with our investigation, including in the prosecution of any unauthorized user.

8. RESTRICTIONS ON USE OF CARD — We may terminate, limit or modify Card privileges without notice and you agree to surrender the Card and any Checks on demand or upon your knowledge of revocation or withdrawal of Card privileges. The Card at all times remains our property, and we may repossess it without the use of judicial process. No expired or revoked Card shall be used to obtain or to attempt to obtain credit. We shall establish a maximum aggregate amount as your total credit limit with all persons honoring the Card, which credit limit may be increased, decreased or completely terminated by us in our discretion, from time to time by notice to you. You agree not to use the Card, Checks, Requests, Emergency Cash or Check Cashing if such use would make your debt to us greater than the credit limit established by us. We may, however, at our option, recognize transactions and extend credit which will cause your outstanding balance to exceed your maximum credit limit, in which case you shall immediately, upon demand, repay us all such sums advanced by us in excess of your authorized credit limit.

9. FOREIGN TRANSACTIONS — Purchases and cash advances made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a 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. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

A fee of 1% of the amount of the transaction, calculated in U.S. dollars, will be imposed on all foreign transactions, including purchases, cash advances and credits to your account. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the U.S., Puerto Rico or the U.S. Virgin Islands.

10. LAW GOVERNING THIS AGREEMENT — To the extent not expressly prohibited by applicable law, this Agreement and your account, as well as our rights and duties and your rights and duties regarding this Agreement and your account, will be governed by and interpreted in accordance with the laws of the State of North Carolina (excluding the conflicts law of North Carolina) and the United States regardless of where you may reside or use your account at any time. This choice of law is made because of a strong relationship between this Agreement and your account to Coastal Federal Credit Union, because issuer is located in North Carolina, and to insure uniform procedures and interpretation for all of our customers, no matter where they reside or use their accounts. If any term or provision of this Agreement is found to be unenforceable, this will not make any other terms or provision unenforceable.

11. CARD AND PERSONAL IDENTIFICATION NUMBER RESTRICTIONS — The Card and Personal Identification Number will always remain the property of the Credit Union. The Credit Union may terminate your right to use the Card and/or the Personal Identification Number of the Automated Teller Machine (ATM) or any other automated teller machines at any time. You will return your Card and/or Personal Identification Number to the Credit Union whenever it asks for it.

You understand that when applicable, a Personal Identification Number (PIN) may be issued. This PIN, when validated will allow you, the co-applicant and any authorized users, to access your credit union's credit card accounts through participating Automated Teller Machine (ATM) networks, subject to the terms and disclosures of the Credit Card Agreement. You understand that use of your credit card will constitute acknowledgment of receipt and agreement to the terms of the Credit Card Agreement and disclosures.

You will take all reasonable precautions to keep your Personal Identification Number separate from your Card and to prevent the unauthorized disclosure of your Personal Identification Number. If you disclose your Personal Identification Number to any person and/or permit any person to use your Card, you shall be liable for the use of your Personal Identification Number and/or Card by that person until you have notified the Credit Union that transactions by that person are no longer authorized. Upon notification, the Credit Union will, as soon as possible, block further automated teller machine transactions on your Account(s), subject to the "Cancellation" Provisions as provided in this Agreement.

12. CREDIT INVESTIGATION AUTHORIZED — Recognizing that we may rely on your credit and financial responsibility, you authorize us to make or have made such credit investigation as we think appropriate, to evaluate your credit, personal and financial standing and employment background. You further agree to authorize us and institutions extending credit on the basis of the Card to share their credit investigation and experience with Consumer Credit Reporting Agencies and other creditors doing business with you.

13. RETENTION OF SLIPS — At the time of obtaining each cash advance (loan) or of making each Goods and Services or other credit transaction under this Agreement, you (or your authorized user) agree to retain a copy of a cash advance slip or official document which accurately evidences the transaction.

14. PERIODIC BILLING — We will bill you on a periodic (monthly) basis, on a date selected by us, for all amounts becoming due through use of the Card. The new balance shown on your statement is the total of unpaid obligations which have been posted to your account as of statement date. Automatic payment options available are: Balance in Full, Percent of Balance, Minimum Payment Fixed Dollar Amount. We must receive at least the Minimum Periodic Payment (see "15" below).

15. MINIMUM PERIODIC PAYMENT — You may pay less than the total amount due on the Periodic Statement unless the entire outstanding balance has matured as provided for in the "Entire Balance Due" section in this Agreement. However, you agree to pay the Minimum (Monthly) Periodic Payment: Classic and Gold I 3% of the unpaid balance, VISA® Gold II, Platinum, and Infinity 2% of the unpaid balance, or \$25.00, whichever is greater.

16. PAYMENTS — You may pay all or part of the unpaid balance of your account at any time. If we receive payment for the full amount of the New Balance for Goods and Services disclosed on the Periodic Statement before the due date shown on the Periodic Statement, we will apply it to pay the entire New Balance for Goods and Services. If any amount is received in addition to the amount of the New Balance for Goods and Services or if less than the full amount of the New Balance for Goods and Services is received, payments received shall be applied in the following order: fees and finance charges; balance transfer amounts; previously billed purchases; cash advances; new purchases. A late payment fee of up to Twenty-Five (\$25.00) Dollars will be imposed on an account that is over thirty (30) days past due.

17. EVENTS OF DEFAULT — You will be in default under this Agreement if any of the following events occurs: (a) if you fail to comply with the payment obligations or any other terms or conditions of the Agreement or of any other Agreement you have with us; (b) if you made a false or misleading statement on the Application for your Card; (c) if you die or become insolvent; (d) if you file or have filed against you a petition or other proceeding commenced under the Federal Bankruptcy Code or any state order or attachment, levy or garnishment with regard to you or any of your property, assets or income; or (e) if we deem yourself or any debts due us from you under this Agreement unsafe or insecure, within our sole discretion.

18. ENTIRE BALANCE DUE — If any of the above "Events of Default" shall occur, we can "accelerate" all of your payments; that is to say, we can make the entire unpaid balance including all unpaid Goods and Services Advances, Cash, any unpaid Annual Service Fee, and any other accrued fees and charges, including FINANCE CHARGES immediately due and payable ("Entire Balance Due"). We do not have to give you notice before taking these actions. If you fail to pay the entire outstanding balance on demand, you agree to pay all collection expenses we incur, including reasonable attorneys' fees.

19. CHANGE OF TERMS — Those terms of this Agreement relating to extensions of Credit and cash advances can be changed at any time. New terms governing extension of credit and cash advances will apply to new Goods and Services and Cash and any unpaid balance and accrued FINANCE CHARGES at the time the change is effective. We will mail or deliver to you the new form of your Agreement or some other written notice of the change at least fifteen (15) days before the changes take effect, except if the change has already been agreed to by you or if a periodic rate or other FINANCE CHARGE is increased because of your delinquency or default under the terms of this Agreement.

20. ACCOUNT ACCESS — VISA cards, except VISA Infinity, can be used to access ATMs displaying PLUS or STAR. Any use of your VISA cards, except VISA Infinity, shall be governed by this agreement. To obtain a cash advance using VISA Infinity, look for ATMs displaying the VISA logo. You will not have access to any credit union account, except your credit card, with VISA Infinity.

21. ASSESSMENT OF COSTS FOR MISUSE OF CARD — Any fees or other costs paid by us which arise from your misuse of the Card shall be assessed to your account and considered an extension of credit under this Agreement, as though there has been an advance of Cash.

22. CANCELLATION — We may cancel this Agreement at any time by telephone or by mailing you a written notice of cancellation, and you must surrender the Card to us whenever we ask you for it. You (any cardholder obligated to repay the credit extended using this Card) can cancel this Agreement by delivering to us written notice that you wish to do so, if the written notice is accompanied by all the Cards that we have issued to you or anyone else at your request. If another person is authorized to use your Card, and you want to terminate that person's privileges, you must notify us in writing. If that person has a Card, you must return that Card with your written notice or you remain liable for charges incurred through use of the Card(s). If your Card account is cancelled, you are still required to pay everything you owe resulting from Card usage, including amounts incurred but not yet billed.

23. NAME CHANGE OR ADDRESS NOTICES — If you move, you must give us prompt written notice of your new address so that we can change our records. You agree to notify us in writing within twenty (20) days if you change your name, your home or mailing address, or home or business telephone number. You should mail any notice that you need to give us to the following address: Coastal Federal Credit Union, PO Box 58429, Raleigh, NC 27658-8429.

(continued)

VISA® Credit Card Agreement And Truth In Lending Disclosure (continued)

24. ADDITIONAL CARD HOLDERS — You may authorize others to use your account. You may add up to two individuals to your account at no extra charge. Each additional Card holder will receive a credit Card with his/her individual name embossed. You promise to pay for all Credit Purchases and Cash Advances made by anyone you authorize to use your account, with or without a Card, and whether or not you notify us that he or she will be using it. If another person has use of your account and you want to end that person's privilege, you must recover and return that person's credit card, if any. If you are unable to recover and return the Card, you will continue to be liable for any charges made unless you tell us to cancel all cards and establish a new account for you, which will be done automatically if you notify us of unauthorized use. We may request written verification from you regarding any change or cancellation to your account.

25. JOINT AND SEVERAL LIABILITY — If more than one of you have signed this Agreement, you agree to be liable to us jointly and each of you will also be liable to us individually for all loans and other obligations under this Agreement. We may collect from or sue any one or more of you without giving up any of our rights against the others. This Agreement is also binding upon your heirs and personal representatives and upon anyone to whom you assign your assets or who succeeds to them in any other way.

26. AGREEMENT — You may not assign to anyone your rights under this Agreement without prior written consent.

27. RENEWAL CARDS — The Card may be superseded by any renewal or replacement cards issued by the Credit Union.

28. WAIVER OF RIGHTS — The Credit Union can delay enforcing any of its rights against you under this Agreement without losing them.

29. OTHER CHARGES — The following other charges (fees) will be added to your Account, as applicable:

Over-the-limit Fee: You may be charged up to \$25.00 on a statement date if your New Balance on that date, minus any fees imposed during the cycle, is over your credit limit. You will be charged the fee each subsequent month until your New Balance on the statement date, less any fees imposed during the cycle, is BELOW your credit limit.

Return Check Fee: If a check or share draft used to make a payment on your account is returned unpaid, you will be charged \$25.00 for each item returned.

Replacement Card: We reserve the right to charge you \$10.00 to replace a card.

Annual Service Fee: In return for the privilege of use and possession of the Card, you agree to pay \$18.00 for VISA® Gold I, \$36.00 for VISA® Gold II, and no annual service fee for VISA® Platinum, VISA® Infinity and VISA® Classic. The fee will be charged to your card account each year in the monthly billing cycle. Except as provided in the Federal Truth In Lending Act, the fee is not refundable in the event of termination of the account by either you or us.

30. ILLEGAL TRANSACTIONS — You agree that you will not use your card for any transaction that is illegal under applicable federal, state, or local law.

Electronic Fund Transfer Regulation "E" Disclosure

These disclosures apply to your use of the VISA® Credit Card with a Personal Identification Number (PIN) as a debit card to make withdrawals and purchases. Automated Teller Machine (ATM) means Coastal Federal Credit Union machines and any similar machines made available by the Credit Union to access your accounts. Accounts includes your regular share, checking account, money manager account, Christmas Club account as well as loan accounts. Other EFT services available from your Credit Union are the subject of additional disclosures, particularly as to availability of transfers and limits on transfers.

LIABILITY DISCLOSURE — Tell us AT ONCE if you believe your card has been lost or stolen. Telephoning is the best way of keeping your possible losses down. You could lose all the money in your account (plus your maximum overdraft line of credit). If a transaction was made with your card or card number without your permission, and is either a VISA or Interlink transaction, you will have no liability for the transaction unless you were grossly negligent in the handling of your account or card. Your liability for unauthorized use of your card or account will be determined under the following paragraphs for transactions that are not VISA or Interlink transactions, for transactions at ATMs, or if you were grossly negligent in the handling of your account or card.

If you tell us within two (2) business days, you can lose no more than \$50 if someone used your card without your permission. If you do NOT tell us within two (2) business days after you learn of the loss or theft of your card, and we can prove we could have stopped someone from using your card without your permission if you had told us, you could lose as much as \$500.

Also, if your statement shows transfers that you did not make, tell us at once. If you do not tell us within sixty (60) days after the statement was mailed to you, you may not get back any money you lost after the sixty (60) days if we can prove that we could have stopped someone from taking the money if you had told us in time. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time periods.

If you believe your Card or PIN has been lost or stolen or that someone has transferred or may transfer money from your account without your permission, call us at 800-868-4262, or write Coastal Federal Credit Union, PO Box 58429, Raleigh, NC 27658-8429.

CHANGE IN TERMS — Any change in terms or conditions of your account disclosed as part of your Electronic Fund Transfer Service (EFTS) Disclosures will be mailed or delivered to you in writing twenty-one (21) days prior to the effective date of any change if such change would result in greater cost or liability for you or decreased access to your account. We may, however, implement a change in the terms or conditions of an account without prior notice when such change is immediately necessary to maintain or restore the security of an electronic fund transfer system or a consumer's account.

BUSINESS DAY DISCLOSURE — Our Business days are Monday through Friday, Holidays are not included.

TYPES OF AVAILABLE TRANSFERS AND LIMITS ON TRANSFERS AT ATMs —

Account Access:

You may use your Card and PIN to:

- Withdraw cash from your Regular Share, Checking Account, Money Manager Account, or Christmas Club
- Make deposits to your accounts.
- Transfer funds between your accounts.
- Make a check or cash loan payment to any loan account.
- Make a transfer payment from your Share or Checking account to any loan account.
- Check account balances.

Foreign (non-Credit Union owned) ATM Networks support balance inquiries, transfers and cash withdrawals from Saving and Checking accounts. Some of these services may not be available at all terminals. You agree not to use your card or account for any transaction that is illegal under applicable federal, state or local law.

Limitations on Frequency of Transfers:

You may make as many cash withdrawals or transfers from our terminals as you wish during the day except that you may not make more than three consecutive access attempts using an incorrect PIN.

Limitations on Dollar Amounts of Transfers:

- You may withdraw up to \$500 per day from Automated Teller Machines (ATMs) and from machines owned by others.

Other Limitations:

- Deposits and loan payments made by check or cash will not be reflected in your balance and will NOT be available for withdrawal until verification is made by Credit Union personnel, subject to our Funds Availability Policy.
- All transactions made through automated teller machines will be subject to the rules, regulations, by-laws and/or operating procedures of the Credit Union.

VISA FOREIGN TRANSACTIONS — Purchases and cash withdrawals made in foreign currencies will be debited from your account in U.S. dollars. The exchange rate between the transaction currency and the billing currency used for processing international transactions is a rate selected by Visa from a 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. The exchange rate used on the processing date may differ from the rate that would have been used on the purchase date or cardholder statement posting date.

A fee of 1% of the amount of the transaction, calculated in U.S. dollars, will be imposed on all foreign transactions, including purchases, cash withdrawals and credits to your account. A foreign transaction is any transaction that you complete or a merchant completes on your card outside of the U.S., Puerto Rico or the U.S. Virgin Islands.

DISCLOSURES OF CHARGES AT ATMS — We may charge you two times the postage rate for any month in which an electronic funds transfer occurs against the share account only. All charges are subject to change.

Credit Union machines: No charge for transactions.

ATMs Not Owned by Credit Union: You are allowed up to five free transactions (i.e., cash withdrawals) per calendar month, after which the charge per transaction will be One (\$1.00) Dollar. All balance inquiries will be Fifty (\$0.50) Cents.

Convenience fees at ATMs Not Owned by Credit Union: If you use an ATM that is not operated by us, you may be charged a fee by the ATM operator and by any national, regional or local network used in processing the transaction (and you may be charged a fee for a balance inquiry even if you do not complete a fund transfer). The ATM surcharge will be debited from your account if you elect to complete the transaction.

DISCLOSURE OF ACCOUNT INFORMATION TO THIRD PARTIES — We will disclose information to third parties about your account or the transfers you make:

- Where it is necessary for completing transfers, or
- In order to verify the existence and condition of your account for a third party, such as a credit bureau or merchant, or
- In order to comply with government agency or court orders, or
- If you give us your written permission.

YOUR RIGHT TO RECEIVE DOCUMENTATION OF TRANSFERS AT ATMs —

Terminal Transfers: You can get a receipt for each transfer to or from your account that was made at automated teller machines. You can get the receipt when the transfer is made.

Periodic Statements: You will get a monthly Checking Account statement. You will get a monthly statement for your regular Share Account for each month in which there were electronic funds transfers made at an ATM using your Credit Card. You will get a statement at least quarterly for your Regular Share Accounts.

DISCLOSURE OF FINANCIAL INSTITUTION'S LIABILITY FOR FAILURE TO MAKE TRANSFERS —

If we do not complete a transfer to or from your Account on time or in the correct amount according to our agreement with you, we will be liable for your losses or damages. However, there are some exceptions. We will not be liable, for instance:

- If through no fault of ours, you do not have enough money in your account to make the transfer, or
- If circumstances beyond our control (such as fire or flood) prevent the transfer, despite reasonable precautions that we have taken, or
- If the transfer would go over the credit limit on your line of credit, or
- If the automated teller machine where you are making the transfer does not have enough cash, or
- If the terminal was not working properly and you knew about the breakdown when you started the transfer, or
- There may be other exceptions stated in our agreement with you.

PREAUTHORIZED ELECTRONIC FUND TRANSFERS VIA THE ACH —

Stop Payment Rights. If you have arranged in advance to make regular electronic fund transfers out of your account(s) for money you owe others, you may stop payment of preauthorized transfers from your account. You must notify the Credit Union orally or in writing at the telephone number and address disclosed in the "Member Liability" Section, any time up to three (3) business days before the scheduled date of the transfer. The Credit Union may require written confirmation of the stop payment order to be made within fourteen (14) days of any oral notification. If we do require the written confirmation, the oral stop payment order shall cease to be binding fourteen (14) days after it has been made. The fee for a stop payment request is set forth in the Rate and Fee Schedule.

Liability for Failure to Stop Payment of Preauthorized ACH Transfers. If you order us to stop one of these payments three (3) business days or more before the transfer is scheduled, and we do not do so; we will be liable for your losses or damages.

TERMINATION OF ELECTRONIC FUND TRANSFER SERVICES — You agree that we may terminate this Agreement and your electronic fund transfer services, if:

- You, or any authorized user of your Card or PIN, breach this or any other agreement with us;
- We have reason to believe that there has been an unauthorized use of your ATM Card, Visa Credit Card, Visa Check card or accompanying PINs;
- We notify you or any other party to your account that we have cancelled or will cancel this Agreement; or
- You are terminated from Credit Union membership.

You or any other party to your account can terminate this Agreement by notifying us in writing. Termination of service will be effective the first business day following receipt of your written notice. Termination of this Agreement will not affect the rights and responsibilities of the parties under this Agreement for transactions initiated before termination.

NOTICES — The Credit Union reserves the right to change the terms and conditions upon which this service is offered. The Credit Union will mail notice to you at least twenty-one (21) days before the effective date of any change, as required by law. Use of this service is subject to existing regulations governing the Credit Union account and any future changes to those regulations.

IN CASE OF ERRORS OR QUESTIONS ABOUT YOUR ELECTRONIC TRANSFERS — Telephone 800-868-4262, or write Coastal Federal Credit Union, PO Box 58429, Raleigh, NC 27658-8429.

We must hear from you no later than sixty (60) days after we sent the FIRST statement on which the problem or error appeared. If a good reason (such as a long trip or a hospital stay) kept you from telling us, we will extend the time period.

- Tell us your name and account number, if any.
- Describe the error or the transfer you are unsure about, and explain (as clearly as you can) why you believe it is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

If you tell us orally, we may require you to send the complaint or question in writing within ten (10) business days. We will report the results of our investigation within ten (10) business days from your report, and we will correct any error promptly. If more time is needed, we may take up to forty-five (45) business days to investigate the complaint or question (or up to ninety (90) days if the error involves a Point of Sale debit card transaction, a transaction initiated outside the U.S., or the transaction occurred within thirty (30) days after the first deposit to the account was made). If we decide to do so, we would recredit your account within ten (10)* business days (twenty (20) business days for transactions involving an account within thirty (30) days after the first deposit to the account) with the amount you think is in error, so you will have the use of the money during the time it takes to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within ten (10) business days, we will not have to credit your account.

If we decide there was not an error, you will be sent a written explanation within three (3) business days after the investigation is finished. You may ask for copies of the documents used in the investigation.

* If you notify us of an unauthorized VISA® card transaction, other than unauthorized use of the card at an ATM, we will provide you with provisional credit for the amount of the unauthorized use within five (5) business days of receiving your notice. We may require written confirmation of the unauthorized use before providing provisional credit and may withhold providing provisional credit, to the extent allowed under applicable law, if the circumstances or your account history warrants the delay.

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 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.

Certificate of Insurance — Single/Joint Credit Life — Single/Joint Credit Disability — Monthly Premium



CUNA Mutual Insurance Society

P.O. Box 391 ■ 5910 Mineral Point Road ■ Madison, WI 53701-0391
Phone: 800/937-2644

(Called We)



Within 30 days after you receive this Certificate, you have the right to return the Certificate to the credit union for cancellation and any premium paid by you will be immediately returned.

NOTICE: Coverage will begin when your account has an open balance and will continue, subject to other provisions in this policy, as long as your account has an open balance. No premium will be charged when your account does not have an open balance. Coverage will

automatically resume when your account has another open balance, subject to the termination provisions in this policy.

We certify that while we are paid the premiums for the Group Policy by the credit union as they become due, you are insured for the coverage marked in the Schedule, subject to the terms of the Group Policy issued to the credit union.

Benefits

Benefits are paid to your credit union to pay off or reduce your loan. If the benefits are more than the balance of your loan, the difference will be paid to you if you are living or to the Beneficiary named by you, if any, or to your estate. Our payment will completely discharge our liability to the extent of the payment.

Death Benefit. If you die while you are insured for life coverage, we will pay the principal balance of your loan on the date of your death, plus not more than four (4) months unpaid interest on your loan to that date, not to exceed the Maximum Amount of Life Insurance.

Joint Insured Death Benefit. If your joint insured dies while insured for life coverage, we will pay on the same basis as above. Only one (1) death benefit, however, is payable under this Certificate.

Total Disability Insurance Benefit. If you are insured for disability coverage, we will pay a benefit if you file written proof that you became totally disabled while insured and continue to be totally disabled for longer than the period stated in the Schedule. Payment will be calculated beginning with the day shown in the Schedule.

The monthly benefit for each month of your disability to be compensated will be equal to the minimum monthly payment required on your loan on the date you became disabled. For a partial month, each daily benefit will be equal to 1/30th of the monthly benefit. Our monthly benefit payment will not exceed the Maximum Monthly Total Disability Benefit stated in the Schedule.

Joint Insured Total Disability Benefit. If your joint insured becomes totally disabled while insured for disability coverage, we will pay on the same basis as above, however, only one (1) monthly disability benefit will be paid even if both you and your joint insured are totally disabled at the same time.

Our benefit payments will stop on the date:

1. you are not totally disabled any more; or
2. the insured portion of your loan has been repaid, refinanced, or otherwise stops; or
3. the balance of your loan has been paid by a lump sum disability benefit under a credit life insurance policy; or
4. of your death.

Definition of Total Disability. During the first 12 consecutive months of disability, Total Disability means that you are: (a) not able to perform the principle duties of your occupation because of a medically determined sickness or accidental bodily injury, and (b) are under the regular care and treatment of a physician (this does not require you to see or be under the care of a physician on a regular basis if it can be shown that you have reached your maximum point of recovery, yet are still disabled under the terms of the contract), and (c) are not engaged in any occupation or activity for substantially equal compensation. After the first 12 consecutive months of Total Disability, the definition changes and also means that you are unable to perform the principal duties of any occupation for which you are reasonably qualified by education, training or experience.

If your Total Disability recurs **within** seven (7) days after you have recovered from that period of Total Disability and the recurrence is a result of the same condition, we will consider this a continuation of that period of Total Disability. However, if your Total Disability recurs **more than** seven (7) days after you have recovered from that period of Total Disability, we will consider it a new period of Total Disability regardless of whether the recurrence is the result of the same condition or a new condition.

Exclusions and Restrictions

The following Exclusions and Restrictions apply to You and Your Joint Insured

Misstated Age. If you stated you are under the Maximum Age for Insurance stated in the Schedule, but you are not, we will return your premium when we discover this and will not pay any benefits. This applies to disability coverage as well as life coverage on you and your joint insured.

Pre-Existing Conditions. We won't pay a claim for an advance on a loan if you die within six (6) months after the effective date of insurance on the advance and death results directly or indirectly from, or is contributed to by a disease or bodily injury for which you received medical advice, diagnosis or treatment at any time during the six (6) months immediately preceding the effective date of insurance on the advance.

Suicide. We won't pay a claim for an advance on a loan if you commit suicide within 12 months after the effective date of insurance on the advance. We will, however, refund the premium on the advance.

Total Disabilities Not Covered. We won't pay a claim for any advance on a loan or return your disability insurance premium if your Total Disability:

1. begins within six (6) months after the Effective Date of insurance on the advance and results from any disease or bodily injury for which you received medical advice, diagnosis or treatment at any time within the six (6) month period immediately preceding the Effective Date of insurance on the advance; or
2. is a result of normal pregnancy.

When Insurance Stops

This insurance automatically stops:

1. on the last day of the month in which we receive your written request to stop the insurance, or if earlier,
2. on the last day of the month in which you withdraw your authorization for the addition of charges for the insurance to your loan; or
3. on the last day of the month during which you reach the Maximum Age for Insurance; or
4. on the date your loan stops; or
5. on the last day of the month in which you are three (3) months delinquent in any payment on your loan; or
6. on the date the Group Policy stops; or
7. when the balance of your loan has been paid by a lump sum disability benefit under a credit life insurance policy; or
8. on the date of your death; or
9. on the date your loan is transferred to a creditor other than the credit union.

What The Contract Is And How Your Statements Affect It

The Group Policy, the Application for the Group Policy and the attached Member's Application are the complete contract of insurance. All statements made by you are considered to have been made to the best of your knowledge and belief. No statement can be used to void this insurance or deny a claim unless that statement is signed by you.

After two (2) years from the date of insurance, no statement made by you can be used to void this insurance or deny a claim. If you stated that you are older than the Maximum Age for Insurance, or if insurance is issued over the Maximum Amount, and we do not return your premium within 75 days after we receive it, you are insured for the period the premium would purchase regardless of your actual age.

How To File A Life Claim

We must be given a claim report, a copy of the member's loan records, insurance application/certificate and a certified copy of the death certificate (or other lawful evidence) as

proof of a life insurance claim.

How To File A Total Disability Claim

You must contact us or your credit union about your Total Disability claim when you are eligible for benefits. Your credit union will provide you with claim forms or you can simply send us written proof of your disability. That proof must show the date and the cause of the Total Disability and how serious it is, and it must be signed by a physician or a chiropractor. The initial proof should be for the initial period of Total Disability, after you have completed the Waiting Period or Elimination Period. After that, we will require proof of your continued disability, from time to time.

You must send proof to us within 90 days after your Total Disability stops. If you cannot send proof to us within 90 days, you must do so as soon as you can. Unless you have been legally incapable of filing proof of Total Disability, we won't accept it if it is filed after one (1) year from the time it should have been filed. You can't start any legal action until 60 days after you send us proof of your Total Disability and you can't start any legal action more than three (3) years after you send the proof.

Conformity With State Statutes

Any part of the Group Policy which, on the Effective Date of the Group Policy, conflicts with the statutes of the state where the Group Policy was delivered is changed to conform to the

minimum standards of those statutes.

Physical Examination

We, at our own expense, have the right, and you must allow us the opportunity, to examine

your person as often as is reasonably required while a claim is pending.

For your personal records, complete the areas below with the same information that you indicated on the LOANLINER® application under the credit insurance application of the member. This copy of the insurance application is for your records only. Claims will be paid based on the information on the credit union's copy.

Credit Insurance Application/Schedule

CUNA Mutual Insurance Society • Madison, WI 53701-0391 • Phone: 800/937-2644

“You” or “Your” means the member and the joint insured (if applicable). A co-signor is not eligible for joint coverage.

Credit insurance is voluntary and not required in order to obtain this loan. You may select any insurer of your choice. You can get this insurance only if you check “yes” below and sign your name and write in the date. The rate you are charged for the insurance is subject to change. You will receive written notice before any increase goes into effect. You have the right to stop this insurance by notifying your credit union in writing. Your signature below means you agree that:

• If you elect insurance, you authorize the credit union to add the charges for insurance to your loan each month.

• You are eligible for disability insurance only if you are working for wages or profit for 25 hours a week or more on the date of any advance. If you are not, that particular advance will not be insured until you return to work. If you are off work because of temporary layoff, strike or vacation, but soon to resume, you will be considered at work.

• You are eligible for insurance up to the Maximum Age for Insurance. Insurance will stop when you reach that age.

NOTE: THE LIFE AND DISABILITY INSURANCE CONTAINS CERTAIN BENEFIT EXCLUSIONS, INCLUDING A PRE-EXISTING CONDITION EXCLUSION. PLEASE REFER TO YOUR CERTIFICATE FOR DETAILS.

YOU ELECT THE FOLLOWING INSURANCE COVERAGE(S)	YES NO		COST PER \$100 OF YOUR MONTHLY LOAN BALANCE	COVERED MEMBER (please print)
SINGLE CREDIT DISABILITY			Refer to	
JOINT CREDIT DISABILITY			Addendum	
SINGLE CREDIT LIFE			N/A	
JOINT CREDIT LIFE			N/A	

If you are totally disabled for more than 14 days, then the disability benefit will begin with the 1st day of disability.

MEMBER'S NAME AND ADDRESS	INSURANCE MAXIMUMS		DISABILITY	LIFE
	MAXIMUM MONTHLY TOTAL DISABILITY BENEFIT		\$ 750	N/A
	MAXIMUM INSURABLE BALANCE PER LOAN ACCOUNT		\$50,000	N/A
MEMBER'S ACCOUNT NUMBER	MAXIMUM AGE FOR INSURANCE		66	N/A
GROUP POLICY NUMBER	SECONDARY BENEFICIARY (If you desire to name one)			
DATE OF ISSUE OF THE CERTIFICATE	CREDIT UNION'S NAME AND ADDRESS			

DATE	MEMBER'S DATE OF BIRTH	DATE	JOINT INSURED'S NAME AND DATE OF BIRTH
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Effective Date: May 1, 2009

This Graduate Student Loan addendum is incorporated into and becomes a part of your LOANLINER® Credit and Security Agreement. Please keep this attached to your LOANLINER® Credit and Security Agreement

Sub account Description	Approximate Term	Daily Periodic Rate (1)	ANNUAL PERCENTAGE RATE (1)
Under \$40,000	240 months	0.022603%	8.25%
Over or equal to \$40,000	300 months		

Graduate Student Loan Variable Rate (1): The ANNUAL PERCENTAGE RATE (APR) is the highest Prime Rate as stated in the Wall Street Journal (index) plus a margin of 5.00% to the value of the index. The rate on new and existing balances will change on the 1st day of each year to reflect any change in the index. We will use the index value available to us as of 10 days before the date of any APR adjustment. The maximum ANNUAL PERCENTAGE RATE will never be greater than the maximum rate allowed by state law in North Carolina which is currently 18.00%. There is a minimum ANNUAL PERCENTAGE RATE of 5.00% (floor). Any increase in APR will result in higher payments until what you owe has been repaid.

The maximum credit limit will be based on school certification and actual cost of attendance and your documented ability to repay, less any other financial assistance and aid received up to a maximum limit of \$170,000.00. The minimum loan amount will be \$5,000.00. The Credit Union reserves the right to adjust your Limit at any time based on its discretion.

Draw period is the period during which you may request advances (subject to the limitations specified in **advances**) This period begins after the first advance is disbursed to the school and continues until: (1) you graduate; (2) you fail to maintain satisfactory progress according to the school's standards ; (3) you fail to maintain enrollment as at least a half-time student; (4) you withdraw from the school, or (5) you fail to sign a reaffirmation upon the credit union request. The Draw period may also be terminated if you fail to provide verification of information. Termination of the Draw period places you into the Grace Period.

Advances: You may only use advances for educational expenses as outlined in the applicable program's tuition fee schedule and all funds will be disbursed directly to your school. During the Draw period the school must certify funds and provide proof of satisfactory progress and proof of enrollment as at least a half-time student status at intervals requested by the credit union.

After the initial advance, finance charges (interest) will begin to accrue immediately, calculated by taking the unpaid balance for each day since your last payment (or advance if you have not yet made a payment) and multiplying that by the applicable daily periodic rate.

Full Deferment: If you maintain the conditions set forth in the Draw period, you shall have the option of fully deferring principal and interest on the line of credit until graduation or the termination of the Draw period. If you default on either condition or graduates, the Draw period ends and you will immediately enter the six month Grace period.

Grace period: No payment of principal or interest shall be due during the six (6) month period immediately following the Draw period. If you leave school and return prior to entering repayment, you will receive the full six (6) month grace period when you leave school again as long as you have maintained the conditions set forth in the Draw period.

You promise (1) that all information is factual; (2) that you will promptly give us written notice if you move, change your name, citizenship status or employment, or if any other information you provided to us changes and (3) upon our request, you agree to provide financial information. Certification by the school of enrollment and advance, along with continuation of eligibility by the borrower, is required before any loan advance is processed. These promises are material obligations under this Agreement.

Repayment of principal and interest will be deferred until after the Grace period. Any unpaid accrued interest shall be capitalized at the end of the Grace Period. The credit union will determine the payment amount that would be sufficient to repay the outstanding loan balance (including capitalized interest) and disclose this to you before the Repayment period begins. The minimum monthly payment amount will be \$100.00. You will be eligible for a rate reduction of 0.125% off your subsequent month's payment if automated payments with a share account set up at Coastal Federal Credit Union are set up by the 25th of the previous month once repayment begins.

Graduated Repayment: Students have the option of electing graduated repayment after the Grace period. This option temporarily lowers monthly payments by amortizing the first two repayment years over a 40 year period and then over either 18 or 23 years for the remaining balance. This request must come in writing and no later than one month after the Grace period ends.

Late Charge: If you are more than fifteen (15) days late in making any payment, a late charge of \$10.00 will be deducted from your payment for each late payment.

Collection Costs: You agree to pay all costs of collecting the amount you owe under this agreement, including reasonable attorneys' fees and court costs.

United States Dollars: All dollar amounts stated in this agreement are in United States dollars. I will make all payments in United States dollars with no deduction for currency exchange.

Failure to Attend or Dissatisfaction with Education Program: Except as otherwise provided herein, if you do not attend or are dissatisfied with the education program paid for with this loan, neither you nor the Cosigner(s) are relieved of any obligation within or pursuant to this agreement.