

COMBINED PROMISSORY NOTE, DISCLOSURE STATEMENT AND SECURITY AGREEMENT (Closed End)

Borrower(s): _____ Credit Union, _____
 Account No: _____ Note No: _____
 Address _____
 (City) _____ (State) _____ (Zip Code) _____

Items preceded by a box applicable only if checked.

ANNUAL PERCENTAGE RATE – The cost of your credit as a yearly rate.	FINANCE CHARGE – The dollar amount the credit will cost you.	Amount Financed – The amount of credit provided to you or on your behalf.	Total of Payments – The amount you will have paid after you have made all payments as scheduled.
\$	\$	\$	\$

You have the right to receive at this time an itemization of the Amount Financed. I want an itemization.
 I do not want an itemization.

Your payment schedule will be:

Number of Payments	Amount of Payments	When Payments are Due

Security: You are giving a security interest in your shares and/or deposits and:
 the goods or property being purchased: Description _____

 other _____

Collateral securing other loans with us may also secure this loan. Collateral securing this loan may also secure other loans or advances with us.
 Filing fees \$ _____ Non-Filing Insurance \$ _____
 Late Charge: If a payment is late, you may be charged _____

Required Deposit: The annual percentage rate does not take into account your required deposit.
 Prepayment: If you pay off early, you will not have to pay a penalty.
 See the rest of this credit document for any additional information about nonpayment, default, any required repayment in full before the scheduled date, and prepayment refunds and penalties.
 e means an estimate

PROMISE TO PAY: In return for the money advanced or its benefits, you promise to pay to the Credit Union or its order, the sum of \$ _____ Dollars, plus interest on the unpaid balance until it is paid in full at _____ % per year on the amounts and on the dates disclosed above. When received, your payment will be applied in this order: Collection costs, late charges, interest due, and unpaid principal balance. Any unpaid interest will be paid by later payments and will not be added to your unpaid principal balance; if any payment is made late, you may be charged a late charge as disclosed above. If you prepay part of what you owe, subsequent payments will remain due as scheduled. If you do not make payments as scheduled or you elect credit insurance, your last payment may be larger than the payment amount disclosed above. In the event that applicable law is interpreted so that the interest or other charges collected or to be collected in connection with this loan would exceed permitted limits, any such charge shall be reduced by the amount necessary to reduce the total charge to the permitted limit and any sums already collected which exceeded permitted limits shall be credited to the principal amount of your loan or refunded at the discretion of the Credit Union.

SECURITY: You pledge to the Credit Union as security the following goods or property: _____
 As additional security, you pledge all present and future shares, deposits, dividends and interest you have in any account with the Credit Union in which you have an interest. You authorize the Credit Union to take that money without notice to you and apply it to what you owe if you are in default under this or any other agreement you have with the Credit Union.

No withdrawal will be permitted if it will reduce the amount of your total shares and/or deposits in the Credit Union below \$ _____ or the amount you owe the Credit Union at the time of the withdrawal, whichever is less. If you are in default, the Credit Union may allow you to withdraw a portion of any of your deposits without affecting its security interest in your deposits. You are not giving a security interest in any shares or deposits in an IRA, SEP, KEOGH or any other account which, if pledged, would result in the loss of special tax treatment under the Internal Revenue Code.

Collateral securing other loans with us may also secure this loan. Collateral securing this loan may also secure other loans or advances with us.

PROPERTY INSURANCE: You may obtain property insurance from anyone you want that is acceptable to the Credit Union.

If you get the insurance through the Credit Union you will pay \$ _____ for a term of _____

CREDIT INSURANCE: If available, credit life insurance and credit disability insurance are not required to obtain credit and will not be provided unless you sign and agree to pay the additional cost. You may select any insurance company of your choice.

Type	Premium		
Credit Life		I want credit life insurance <input type="checkbox"/> Yes <input type="checkbox"/> No	Signature: _____
Credit Disability		I want credit disability insurance <input type="checkbox"/> Yes <input type="checkbox"/> No	Signature: _____
Credit Life and Disability		I want credit life and disability insurance <input type="checkbox"/> Yes <input type="checkbox"/> No	Signature: _____

DEFAULT: You will be in default if you break any promise made in connection with this Agreement or any other agreement you have with the Credit Union, if you fail to make a payment when due, if anyone tries by any legal means to take any money you have which is in the possession of the Credit Union, if you are the subject of an order for relief under the Federal Bankruptcy Code, or if anything happens which the Credit Union reasonably believes impairs its security interest or your ability to repay what you owe. If you are in default, the Credit Union can require immediate payment of all you owe. That means you will have to pay your entire unpaid principal balance plus any interest earned as well as unpaid late charges and collection costs. The Credit Union has the right to file suit to collect what you owe. This document and applicable law authorize the Credit Union to take this action, and the Credit Union may rely on any or all of those sources. If the Credit Union incurs any expenses in taking these actions, you promise to reimburse the Credit Union and pay for all reasonable attorney's fees, court costs and disbursements. You expressly waive the right to notice or demand, including but not limited to, demand upon default, notice of intention to accelerate, and notice of acceleration.

CREDIT INVESTIGATION: In connection with your application for credit and, if approved, maintenance of your account, you agree that the Credit Union has the right to investigate your credit and employment history, to verify your credit references, to request and use credit reports, and to report the way you pay your loan to credit bureaus and other interested parties.

CREDIT UNION RIGHTS: The Credit Union may delay taking any action to protect its rights as many times as it wants and as long as it wants without losing them. If the Credit Union agrees to change any of the terms of this loan, you agree that any security interest will continue to protect the Credit Union. Use of the term "you" includes any person who signs this document. By signing, any such person agrees to all the terms and conditions and promises to perform all the obligations, requirements and duties contained in this document.

ACKNOWLEDGEMENT: The terms of the security agreement shown on the reverse side apply to the collateral for which a security interest is given under this agreement. In signing below, you agree to all terms and conditions of the loan, the security agreement, as applicable, and acknowledge receipt of a copy of the credit document completely filled in.

Borrower _____ Date _____ Comaker/Guarantor _____ Date _____

SECURITY AGREEMENT

SECURITY INTEREST: In return for receiving your loan or its benefits, you grant the Credit Union a security interest in the property described on the reverse side. This security interest covers not only that property but all proceeds, substitutions or replacements, accessions, improvements, all proceeds from insurance and all refunds of unearned premiums. Any time this agreement refers to collateral, it means any or all of the property described above. If the value of the property diminishes or if for any reason the Credit Union decides that additional security is required to protect it from possible loss, you promise to assign additional collateral to the Credit Union within ten days if asked to do so. You are giving this interest to secure repayment of your loan as well as any amounts you now owe or will owe the Credit Union, except any loan secured by your principal residence. The collateral also secures your performance of all other obligations under your loan, this security agreement and any other agreement you have with the Credit Union. If the collateral is household goods as defined in the Federal Trade Commission Fair Credit Practices Rule, it only secures obligations for the purchase money for that collateral or a refinancing or consolidation of such obligations.

LIEN ON THE COLLATERAL: You promise to have the Credit Union's security interest recorded on any title issued by your state for the collateral securing this loan. At the Credit Union's request, you agree to sign a financing statement, a Security Agreement amendment and whatever else is necessary to protect the Credit Union's security interest in the property. You hereby appoint the Credit Union as your Attorney-in-Fact to perform any acts which it deems necessary to protect the collateral and the security interest that this Security Agreement creates.

OWNERSHIP OF COLLATERAL: You promise that you will use the proceeds of the loan advance to buy the collateral or that you own the collateral and that no one else has any interest in it or claim against it. You agree not to transfer, sell, or lease it, or give it as collateral to anyone else until you have repaid what you owe the Credit Union or the Credit Union gives its written permission.

USE OF THE COLLATERAL: You promise to (i) use the collateral carefully, keep it in good repair, and suitably protected, (ii) obtain the Credit Union's written permission before making major alterations or improvements to the collateral, (iii) allow the Credit Union to inspect the collateral at reasonable times and places, (iv) promptly notify the Credit Union if the collateral is damaged, stolen, or abused, and (v) not use the collateral for any unlawful purpose. You also agree to notify the Credit Union in writing before changing your mailing address or the location of the collateral.

PROPERTY INSURANCE AND TAXES: You are required to fully insure the collateral against loss or damage. You may obtain this insurance through any insurance company of your choice, unless the Credit Union, for good cause, refuses to accept it. If you obtain insurance through the Credit Union, the cost and the term is disclosed on the reverse side of this document. If you fail to obtain or maintain the insurance, or to produce reasonable evidence that you have obtained or are maintaining such insurance, the Credit Union may buy any type of insurance it feels is necessary to protect its interest in the collateral. This could result in less protection for you and at a higher cost. The Credit Union may, at its option, add the premium for this insurance to the unpaid principal balance and charge you a **FINANCE CHARGE** at the rate disclosed on the reverse side. In such event, the Credit Union may adjust the amount of the remaining payments so that the total amount financed under this Agreement, will be repaid in accordance with the original payment schedule. The Credit Union may also add the amount of the premium to the unpaid principal without changing the payments or demand immediate payment of the full amount of the premium. You promise to have any insurance policy payable to the Credit Union, and if asked, to deliver it to the Credit Union. You appoint the Credit Union as your attorney-in-fact to endorse any insurance drafts or checks in your name. In the event you are in default under this or any other agreement, the Credit Union is authorized to cancel any insurance under this agreement and credit any premium refund against any amounts you owe the Credit Union. You also promise to pay all taxes due on the collateral. If you fail to do so, the Credit Union may, but does not have to, pay the taxes and add the amount to the unpaid principal balance and charge you a **FINANCE CHARGE** at the rate disclosed on the reverse side.

DEFAULT AND REPOSSESSION: You will be in default if you break any promise made under this agreement, if you are in default on your loan, if you fail to obtain or maintain the required insurance, or if anything happens which the Credit Union reasonably believes impairs its security interest or your ability to repay what you owe. If you are in default, the Credit Union may, without advance notice to you, call the entire amount you owe under this Agreement, or any other Agreement you have with the Credit Union, and take possession of the collateral. You expressly waive any right to notice or demand, including but not limited to, demand upon default, notice of intention to accelerate, and notice of acceleration. The Credit Union may require that you deliver the collateral to it any time or place of its choosing, and you acknowledge and agree that the Credit Union can take possession of the collateral without judicial process and without giving you advance notice, unless such action or waiver of the notice is otherwise prohibited by applicable law. This agreement, the Texas Business and Commerce Code, and other applicable law, authorize the Credit Union to take various actions, and the Credit Union may rely on any or all of those sources. If you leave any personal property not subject to this Security Agreement in collateral which is repossessed, the Credit Union will not be responsible to you for any such property. However, upon discovery or receipt of notification from you, the Credit Union will make a reasonable attempt to return such property to you, or otherwise make it available.

The Credit Union may also file suit to recover the collateral and/or collect what you owe. If the Credit Union incurs any expenses in taking these actions, or in protecting its rights to the collateral, you promise to reimburse it and pay for all reasonable attorney's fees, court costs and disbursements. If the Credit Union repossesses the collateral, you promise to also pay for actual and reasonable out-of-pocket expenses incurred by the Credit Union in connection with repossession or foreclosure, including costs of storing, reconditioning, and reselling the collateral. Any disposition of the collateral will be in accordance with the standards of good faith and commercial reasonableness as well as the procedures set by the Texas Business and Commerce Code, as amended. Unless you have signed on the reverse side as owner of the collateral only, you will have to pay any amount that remains unpaid after the Credit Union has disposed of the collateral, paid all expenses and charges, and applied the proceeds to the amount you owe. You acknowledge that any such remaining amounts will continue to be subject to a finance charge at the rate disclosed on the reverse side.

In connection with any default under this Agreement, you consent that we may undertake any and all necessary skip trace searches to locate you or the collateral. Such skip trace searches may include exchanges of skip trace information with other financial institutions.

OTHER RIGHTS: The Credit Union may delay taking any action to protect its rights as many times as it wants and as long as it wants without losing them. If the Credit Union changes any of the terms of this agreement or the loan, you agree that the security interest will continue to protect the Credit Union. Use of the term, "you" includes any person who signs this document. By signing, any such person agrees to all the terms and conditions and promises to perform all the obligations, requirements, and duties contained in this agreement.

CONTINUED EFFECTIVENESS: Each part and provision of this Agreement must be considered as part of the total Agreement and cannot in any way be severed from it. However, you also agree that should any part of this Agreement be found invalid by a court of competent jurisdiction, it will in no way affect the remainder of this Agreement.

OWNER OF COLLATERAL ONLY: If you sign the reverse side of this agreement and check the box for Collateral Only, you are granting the Credit Union a security interest in the collateral in consideration of the Credit Union extending the credit to the Borrower.