

OPEN-END CREDIT PLAN AGREEMENT

CREDIT UNION

Address _____, Texas
Street City Zip County

Borrower(s) _____ Account Number: _____

IN THIS AGREEMENT: The words "you" and "your" mean all persons who signed this agreement or a loan advance request voucher. The words "the credit union," "we," "our," or "us" refer to this credit union.

ADVANCES: If your application for open-end credit is approved, we may make loan advances from time to time directly to you or to any third party that you may designate, either by check or other means. You understand, however, that we may refuse to make an advance at any time. Each advance shall be evidenced by an Open-End Line of Credit Loan Advance Request Voucher and Security Agreement ("Loan Advance Request Voucher") which is incorporated into and made a part of this Agreement by reference.

REPAYMENT: You promise to repay all loan advances made under this agreement plus a finance charge on the unpaid balance. Payments are due in the amount and on the dates set out in the Loan Advance Request Voucher furnished you at the time of the most recent advance. All payments will be applied first to collection costs, then to any late charges, the finance charge owing, and then to the unpaid principal balance. You may prepay all or part of any loan at any time without penalty. A partial prepayment will not automatically reduce your minimum payment unless the remaining amount owed is less than the minimum payment amount. In that case, your payment will be an amount equal to the remaining balance plus any finance charge.

COST OF CREDIT: You will pay a finance charge for all loan advances. The finance charge begins to accrue on the date a loan advance is posted to an account. The finance charge is computed at the time a payment or advance is made. For each day since your last payment or advance, the unpaid balance in an account is multiplied by the applicable daily periodic rate. The sum of these charges is the finance charge you owe. If you have an unpaid balance on more than one loan account, a finance charge for each account is computed. The unpaid balance in an account each day is the balance after payments and credits have been subtracted and advances and other charges added. The periodic rates and the annual percentage rates for the different loan accounts are shown above.

SECURITY: You pledge to us as security for advances all present and future shares, deposits, dividends and interest you have in any account with us in which you have an interest. You authorize us 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 us. If you have pledged a specific amount to secure an advance, we shall place a hold on your account(s) for that amount. 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. You may also be required to give us a security interest if (1) the proceeds of the advance are used to purchase property of a type acceptable to us as security (e.g., automobile, furniture, equipment, investments, etc.), or (2) any other time we decide it is necessary. At that time, you will sign a security agreement describing the collateral that will be incorporated into and considered a part of this agreement for all purposes. Collateral securing other loans with us may also secure advances received under this agreement.

DEFAULT: You will be in default: (1) if you fail to make any payment on time; (2) if you break any promise you have made under this or any other agreement with us; (3) if you are the subject of an order for relief under Title 11 of the U.S. Code (Bankruptcy); (4) if anyone tries by legal process to take any of your money in the credit union; (5) if you have given us false or inaccurate information in obtaining a loan; or (6) if anything happens which we reasonably believe impairs our collateral or otherwise affects your ability to repay what you owe.

ACCELERATION AND OTHER CHARGES: If you are in default, the credit union may, without prior notice to you, call any amounts that you still owe immediately due and payable plus finance charges shall continue to accrue until the entire amount is paid. You expressly waive any right to notice or demand, including but not limited to, demand upon default, notice of intention to accelerate, and notice of acceleration. You also agree to pay all reasonable costs of collection, including court costs and attorneys fees, which we may incur. If payment is made by means of a check or draft that is returned to us following its dishonor by the payor, you may be charged a fee of \$ _____, and we may add the charge to your account or deduct it from any share or deposit account you have with us. If any payment is made _____ days or more after it is due, you may be charged a late charge of _____.

If you give us a security interest in certain types of collateral, you may be charged those taxes and fees that actually are or will be paid to public officials for determining the existence of a security interest. If so, such charges will be itemized and disclosed to you at the time you request an advance.

INSURANCE: If available, credit insurance is not required for any advance. If you qualify for and purchase the insurance from us, you authorize us to add the premiums to your loan balance and charge interest on the entire balance. You will receive the necessary disclosures and documents separately. If we require you to insure any collateral, premiums for such insurance may be added to the account under the conditions contained in your security agreement.

CO-BORROWER: If you are signing this agreement as a co-borrower, you understand that you are equally responsible with the person signing as borrower. Unless you are a member of the credit union, you do not have the right to request and receive loan advances under this agreement. Otherwise, you have all the obligations of and make all the promises being made by the borrower. We can change the terms of payment and release any security without notifying or releasing you from responsibility on this agreement.

ADDITIONAL PROVISIONS: It is your intention to use this open-end credit plan primarily for personal, family, or household use. You understand that the terms and conditions contained in this document constitute the entire agreement between you and the credit union. You understand that we will not be bound by anything not in writing. You also understand that, should any portion of this agreement be determined to be invalid for any reason, the agreement will continue in effect as if the invalid portion had never existed. You also understand and agree that the validity, construction, and enforcement of this agreement shall be governed by the laws of the State of Texas. The finance charges paid or agreed to be paid shall not exceed the maximum amount permissible under applicable law, and, in any contingency whatsoever, if we receive anything of value deemed interest under applicable law which would exceed the maximum amount authorized under that law, the excessive interest shall be applied to the reduction of the unpaid principal amount you owe or will be refunded to you.

TERMINATION, CHANGES, OR ASSIGNMENT: We may terminate this agreement at any time without providing you advance written notice. You may terminate this agreement as to future advances at any time. Termination by either party shall not affect your obligation to repay loan advances made prior to termination, as well as finance charges, collection costs, and late charges. The terms of this agreement may be changed, by written notice from us to you, in accordance with applicable law. The notice will give you the date any such change will go into effect, as well as what effect, if any, the change or changes may have with respect to current or future balances. You agree that you will not, without our prior written consent, assign any rights you have under this agreement or the agreement itself. This provision shall not apply to a designation for payment of an advance on your behalf to a third party under the provisions of this agreement as contained above.

By signing this agreement and any other related documents, including the Loan Advance Request Voucher, you agree to all the terms and conditions and promise to perform all the obligations, requirements, and duties contained in this agreement and all related documents. You acknowledge that the person signing as borrower has received a copy of this agreement prior to or contemporaneously with its signing.

Date

Borrower

Date

Co-Borrower

YOUR BILLING RIGHTS, KEEP THIS NOTICE FOR FUTURE USE

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 BILL

If you think your bill is wrong, or if you need more information about a transaction on your bill, 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 bill 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.

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 bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your credit limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, 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 bill. 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 bill was correct.