



## Security Service Business Line of Credit

<b>Interest Rates and Interest Charges</b>	
<b>Annual Percentage Rate (APR) for Advances</b>	<p><b>8.00%</b> for PrimeLine Gold  <b>11.00%</b> for PrimeLine Silver  <b>15.75%</b> for PrimeLine</p> <p>These APRs will vary with the market based on the Prime Rate. Product and rate is determined based on credit worthiness.</p>
<b>Paying Interest</b>	You will be charged interest from the day the Advance is posted to your Account until you pay the Advance in full.

<b>Fees</b>	
<b>Penalty Fees</b>	
Late Payment	<b>10%</b> of your scheduled payment amount.
Returned Item	Up to <b>\$15</b> .
NSF	Up to <b>\$25</b> .

**How we will calculate your balance:** We use the method called the average daily balance (excluding current transactions). To get the “average daily balance” we take the beginning balance of your account each day and subtract any unpaid interest or other finance charges and any payments or credits. We do not add in any new purchases/advances/fees. This gives us the daily balance. Then, we add all the daily balances for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the “average daily balance.”



## Security Service Business Line of Credit Agreement and Disclosures of Line of Credit Terms

1. **DEFINITIONS** – “Agreement” means this Security Service Federal Credit Union Line of Credit Agreement. “We,” “us,” “Credit Union” and “our” mean Security Service Federal Credit Union. “You” “your”, and “borrower” mean each person who signed the application for an Account with us. “Account” means your Security Service Federal Credit Union PrimeLine of Credit Account. “Advance” or “Advances” mean any amount borrowed under the terms of this Agreement. “Check” or “Checks” mean the Security Service Federal Credit Union PrimeLine Checks issued to you for your Account with us.
2. **THIS IS YOUR CONTRACT WITH US** – You signed an application for an Account with us under which you agreed to the terms of this Agreement. On our acceptance of that application, it and this Agreement became your contract with us. You must keep all of your promises to us contained in the application and this Agreement.
3. **SAVE THIS AGREEMENT** – By obtaining Advances against this Account, you agree to the terms of this Agreement. You should read this entire Agreement and save it for your records.
4. **ADVANCE** – You may borrow money under the terms of this Agreement by: a) overdrawing your business checking account linked to this Account, b) by writing a Check or c) requesting a transfer from your Account to your business checking account. Advances that are made on your behalf to cover an overdraft will be made for the amount of the overdraft rounded up to the next \$100 increment. We will pay any properly completed and signed Check presented to us for payment and will honor your other authorized borrowing requests except where this agreement provides differently. You agree not to write any Checks against this Account for amounts less than \$100. We may, but are not obligated to, pay Checks written for less than \$100.
5. **YOUR PROMISE TO PAY (ALL APPLICANTS)** – You agree to repay us for all Advances extended to you for your Account, together with all interest charges and all other charges described in this Agreement, whether or not the credit extended to you is within your credit limit. You agree to pay these amounts at the time and in the amounts provided in this Agreement. If you allow any person to write a Check, you must pay for that individual’s Advance also. If more than one person made the application, each of you promises to pay all amounts owed to us under this Agreement. This means that we may collect money owed to us from each of you or from all of you.
6. **CREDIT LIMIT** – We will inform you of the maximum amount that you may owe us at any one time. That amount is your “Credit Limit.” You may not exceed your Credit Limit. We are not obligated to all additional Advances or pay any Checks if you are already up to your Credit Limit or if the Advance or Check would take you over your Credit Limit. If we pay an Advance or a Check that causes you to exceed your Credit Limit, you must pay the full amount over the Credit Limit immediately.
7. **INTEREST CHARGE** –We figure the interest charge on your account by applying the periodic rate to the “average daily balance” of your account. To get the “average daily balance” we take the beginning balance of your account each day and subtract any unpaid interest or other finance charges and any payments or credits. We do not add in any new purchases/advances/fees. This gives us the daily balance. Then, we add all the daily balances for the billing cycle together and divide the total by the number of days in the billing cycle. This gives us the “average daily balance”.
8. **VARIABLE ANNUAL PERCENTAGE RATE** – The variable **ANNUAL PERCENTAGE RATE** will be based on an index and is subject to change as of the first billing cycle following a change in the index. However, regardless of the Index value, the **ANNUAL PERCENTAGE RATE** will never exceed the maximum allowed by law.

The Index is the “Prime Rate” as published in the Money Rates’ table of the Wall Street Journal, Southwest Edition. The Index value used for a given billing cycle will be the value published on the 15<sup>th</sup> day of the previous billing cycle. If the Index is not published on that day, the most recently published value before that day will be used to determine the daily interest rate. If more than one Prime Rate is published, the Index will be the highest of the Prime Rates published. If the Wall Street Journal ceases to publish the Index, we will choose a new Index and give you notice of our choice. There is no limit on the amount the **ANNUAL PERCENTAGE RATE** may increase or decrease at any one time. The **ANNUAL PERCENTAGE RATE** at any time can be obtained by calling us at 1-800-527-7328.

\*\*\*\* THREE TIERS OF ANNUAL PERCENTAGE RATES \*\*\*\*

- (a) **PrimeLine Gold** - the **ANNUAL PERCENTAGE RATE** will be **2.75** percentage points above the Index stated above. The periodic rate of interest charge is  $1/365^{\text{th}}$  of the **ANNUAL PERCENTAGE RATE**.
- (b) **PrimeLine Silver** - the **ANNUAL PERCENTAGE RATE** will be **5.75** percentage points above the Index stated above. The periodic rate of interest charge is  $1/365^{\text{th}}$  of the **ANNUAL PERCENTAGE RATE**.
- (c) **PrimeLine** - the **ANNUAL PERCENTAGE RATE** will be **10.50** percentage points above the Index stated above. The periodic rate of interest charge is  $1/365^{\text{th}}$  of the **ANNUAL PERCENTAGE RATE**.

- 9. EFFECT OF INCREASE IN THE ANNUAL PERCENTAGE RATE** – If the Prime Rate as defined above increases, the periodic rate and the corresponding **ANNUAL PERCENTAGE RATE** will increase. If the Annual Percentage Rate increases, the amount of Interest Charge you pay will increase and your periodic payment amounts will increase.
- 10. MONTHLY PAYMENTS** - The Minimum Payment for each billing cycle will be due at least twenty-one days after your statement is mailed or delivered to you, and will be either \$20 or 2% of the balance owing on your Account, rounded to the nearest dollar, whichever is greater. A Late Payment Fee, if assessed, will be equal to 10% of your scheduled payment amount. If your Account Balance is less than \$20, your Minimum Payment will be the amount of the Account Balance. In addition to the Minimum Payment, if your Account Balance exceeds your Credit Limit, you must pay any amount needed to reduce your Account Balance so that it does not exceed your Credit Limit. You may, at any time, pay more than the amount then due, or the full amount you owe us.
- 11. AUTHORIZED USERS** – You agree that if this Account is attached to a deposit account, all authorized signers of the deposit account will become authorized users of this Account and will be responsible for repayment of any advances obtained by any authorized signer.
- 12. OTHER CHARGES** – In addition to the fees and charges listed in this Agreement, you agree to pay:
- (a) Returned Item Fee – is a fee for any check or other instrument given to us to repay, fully or partially, your Account Balance that is not honored by the financial institution upon which it is drawn.
  - (b) NSF Fee – is a fee that will be assessed if a Check is presented for payment against your Account and you do not have sufficient available credit to cover the Advance, whether or not we honor the item.
- 13. OTHER PAYMENT TERMS** – All of your payments to us must be in U.S. Dollars drawn on funds on deposit in the United States. You may not make a payment on your Account by means of a Security Service Federal Credit Union PrimeLine Check. We can accept late or partial payments, as well as payments that are marked with “paid in full” or any other similar language without losing any of our rights under this Agreement. We will apply payments and credits to your Account in the following order:
- (a) Interest,
  - (b) Insurance,
  - (c) Fees,
  - (d) Principal.
- 14. LIABILITY FOR UNAUTHORIZED USE** – You must tell us immediately if a Check is lost or stolen or if you think someone used your Account without your permission. If you fail to do so, we will ask you to pay if someone writes a Check without your permission. We will not ask you to pay if use of a Check without your permission occurs after you notify us that a Check is lost or stolen.

If an unauthorized Advance occurs, notify us in writing at the address listed in Section 20 or call us at 1-800-527-7328 or 210-476-4000.

- 15. DEFAULT** – If you do not pay us the Minimum Payment Due on or before the Payment Due Date, or if you fail to meet any other obligations to us under this Agreement, or if the credit privileges under the Account are misused or used fraudulently, or if any representation in the information regarding your financial affairs you provide to us for the Account proves to be false, or if you become the subject of any bankruptcy or similar proceeding, or if you die, we, without advance notice, can close your Account and declare the entire Account balance due and payable immediately unless such action is precluded by state law. You waive demand, presentment, notice of intent to accelerate and notice of acceleration. If you do not pay us as agreed, you agree to pay the reasonable collection costs, including any court costs and reasonable attorney fees we incur in enforcing this Agreement.

- 16. CANCELLATION** - You or we can cancel your Account at any time. You may not write a Check after your Account has been canceled. If you wish to cancel the Account, destroy all Checks and notify us, in writing, at the address shown in Section 20. You must still pay us any amount that you owe us. If more than one person has signed the application and if one but not all of you requests or instructs us to cancel the borrowing privileges of the other(s) but not to cancel the Account, at our option, we may ignore the request or instruction, may follow the request or instruction or may suspend the borrowing privileges of all of you pending the resolution of any potential disputes among you. If you are not in default when your Account is cancelled you may continue to make monthly payments on your Account as provided in the Monthly Payments section and Interest Charge will continue to accrue until your Account is fully repaid. However, if you commit any of the defaults listed in the Default section after your Account is cancelled but before your Account balance is fully repaid, we can exercise any and all rights described in the Default section.
- 17. AMENDMENTS** – We may change the terms of this Agreement, including the amount of or method of determining the Interest Charge and Annual Percentage Rate, upon written notice to you.
- 18. ACCOUNT REVIEW** – From time to time we may review your Account and update the information it has concerning your financial condition. You agree to furnish us with whatever information regarding your financial affairs we may then request. We may give information about your payment history under this Agreement where permitted by law. You authorize us to make whatever credit or investigative inquiries we deem necessary in the course of review of any credit extended under this Agreement. If you ask us, we will tell you whether we asked for credit reports about you. If we did, we will give you the name and address of the credit reporting agency.
- 19. CHANGE OF ADDRESS** – You agree to promptly notify us in writing at the address listed in Section 20 if your mailing or email address changes, if there are any errors on your monthly statement, if you lose any of your PrimeLine Checks, or if an unauthorized person uses your Account.
- 20. ADDRESSES FOR WRITTEN NOTICES** – All notices to us under this Agreement should be addressed to Security Service Federal Credit Union, 15000 IH 10 W, San Antonio, Texas, 78249. Notices to you will be sent to an address as indicated on our records. If more than one person has signed the application, notices to one of you will be considered as notice to all of you.
- 21. CONSENT TO RECEIVE COMMUNICATIONS** - As allowed by law, we, including our agents and assigns, may need to contact you about your account from time to time. You authorize us to contact you regarding your account throughout its existence using any mailing address, email address, or telephone number you provide to us. This includes trying to contact you in writing, including mail and email, by text messages and by telephone using an automatic telephone dialing system, pre-recorded voice, or artificial voice. You agree to promptly notify us of any change in mailing or email address or telephone number.
- 22. GOVERNING LAW** – This Agreement and your Account are governed by federal law except where preempted by state law. These laws will be used to interpret our rights and your obligations under this Agreement.
- 23. MISCELLANEOUS PROVISIONS**
- (a) If any provision of this Agreement is held to be invalid or unenforceable, the rest of the Agreement will not be affected.
  - (b) We will not be responsible for merchandise or services purchased by you with Checks.
  - (c) We will not be responsible for the refusal of any person or entity to honor Checks.
  - (d) This Agreement supersedes all prior agreements between you and us governing the use of your Line of Credit Account.
  - (e) We will not charge you an annual fee for this Account.
  - (f) We will not honor stop payment requests on Checks.