

## DISCLOSURES



# Checking Line of Credit Agreement & Disclosure

# Welcome to United Nations Federal Credit Union (UNFCU).

Please read this document carefully for information regarding your membership, and products and services you are interested in using.

## General

The UNFCU checking line of credit (LOC) provides an automatic loan to you to pay checks and other debits from your UNFCU checking account when there are insufficient funds in your account. The following terms are applicable to your checking LOC. These terms are subject to change, subject to written notice to you, if required by law. The words 'you' and 'your' mean each person signing the membership application and/or the Consumer Loan Application, including anyone who has access to the account(s). The words 'we,' 'our,' and 'us' mean UNFCU. The word 'agreement' means this checking line of credit agreement and disclosure brochure. The agreement is subject to change without notice to you, except as otherwise provided by law. UNFCU will determine and notify you of the specific credit limit you are given for this account. UNFCU may increase, decrease, or remove your credit limit upon review of your creditworthiness. However, UNFCU is not required to make advances to you under this checking LOC and can refuse a request for an advance at any time.

## Promise to Pay

You promise to repay to UNFCU all advances made to you on your behalf under this agreement and any applicable charges described in this agreement together with interest on what you owe until the total amount has been repaid.

## Annual Percentage Rate

This is a variable rate loan. The annual percentage rate (APR) is calculated by using an index plus a margin. The index is the Prime Rate published in the Wall Street Journal on the last business day of the month (the 'Index'). We then add a margin of 6.75% to the index to determine the current APR. The current APR and margin are available on [unfcu.org/rates](https://unfcu.org/rates). The APR may change (without prior notice) on the first business day of the following month based upon an increase or decrease in the Prime Rate. Rate changes may increase the finance charge and result in higher minimum payment amounts. If the Index is no longer available, UNFCU will choose a new index that is comparable.

## Cost of Credit

We calculate the interest charge on your account by applying the periodic rate to the 'daily balance' of your account for each day in the billing cycle. To determine the 'daily balance' we take the beginning balance of your account each day, add any new advances, and subtract any unpaid interest or other finance charges and any payments or credits.

If there is an existing balance on the date of an advance, the new advance will be added to the existing balance and the entire amount will be subject to the APR at the time of the new advance.

## Charge

There are no filing fees or application fees associated with a UNFCU checking LOC. There are no prepayment penalties. A late payment fee may apply, if the payment is not made by the payment due date each month (refer to 'Default' section for details).

## Complimentary Credit Life Protection

UNFCU offers a complimentary credit life protection program, which automatically provides up to \$55,000 debt cancellation coverage in the event of your death, for eligible consumer loans such as lines of credit. There is no need to sign up for this valuable benefit. Please see the Membership and Accounts disclosure for complete terms, restrictions, and eligibility requirements. UNFCU may modify or cancel the credit life protection program at any time.

## Voluntary Credit Disability Insurance

Credit disability insurance is not required to obtain credit and will not be provided unless you sign and agree to pay the additional cost. If you sign up for credit disability insurance from UNFCU, you will pay \$0.15 for each \$100 of credit extended. Premium rates are subject to change. Rates disclosed are accurate as of the printing date of this disclosure. UNFCU reserves the right to replace your credit disability insurance provider at any time. In either case, you will be notified of the change and provided with a new certificate of insurance or a debt cancellation agreement evidencing your coverage. You are free to cancel at any time.

## Payments

The minimum payment for a checking LOC is 2% of the balance if the payment amount would exceed \$25.00. For lower balances, the minimum payment amount must be \$25.00 or the full balance outstanding, whichever is less.

Payments are due on the last business day of the month.

## Security Interest

You agree that all advances under the checking LOC will be secured by the savings and deposits in all joint and individual accounts you have with UNFCU now and in the future, except savings and deposits in an Individual Retirement Account (IRA) and any other account that would lose special tax treatment under state or federal law. Additional security may be required depending upon your creditworthiness as determined by UNFCU. Collateral provided as security under the checking LOC or for any other loan will secure all amounts you owe UNFCU, now and in the future. Such amounts include, but are not limited to, principal amounts owed; accrued interest or finance charges; reasonable attorney fees; and any other amount provided for under this checking LOC. Any security interest taken by UNFCU in property of the member under this checking LOC specifically excludes your home.

## Statement and Notices

On a monthly basis, we will send you a statement showing your checking LOC transactions during the statement period. Statements and notices will be mailed to the most recent address on file or will be sent electronically, as applicable.

If this is a joint account, notice to any one of you will be considered as notice to all.

## Your Billing Rights: Keep This Document For Future Use

This notice tells you about your rights and our responsibilities under the Fair Credit Billing Act.

### What to do if you find a mistake on your statement

If you think there is an error on your statement, write to us at:

#### United Nations Federal Credit Union

Court Square Place, 24-01 44th Road  
Long Island City, NY 11101, USA

Attention: Member Directed Services

You may also contact us via email at: [email@unfcu.com](mailto:email@unfcu.com)

In your communication, please include the following information:

- **Account information:** Your name, member number, and/or account number.
- **Dollar amount:** The dollar amount of the suspected error.
- **Description of problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us:

- Within 60 calendar days after we sent the first statement on which the problem or error appeared.
- At least three business days before an automated payment is scheduled, if you want to stop payment on the amount you think is wrong.

You must notify us of any potential errors in writing or via email.

You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

### What will happen after we receive your letter

When we receive your letter, we must do two things:

1. **Within 30 days of receiving your letter**, we must tell you that we received your letter. We will also tell you if we have already corrected the error.
2. **Within 90 days of receiving your letter**, we must either correct the error or explain to you why we believe the bill is correct.

While we investigate whether or not there has been an error:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

After we finish our investigation, one of two things will happen:

- **If we made a mistake:** You will not have to pay the amount in question or any interest or other fees related to that amount.
- **If we do not believe there was a mistake:** You will have to pay the amount in question, along with applicable interest and fees. We will send you a statement of the amount you owe and the date payment is due. We may then report you as delinquent if you do not pay the amount we think you owe.

If you receive our explanation but still believe your bill is wrong, you must write to us within 10 days telling us that you still refuse to pay. If you do so, we cannot report you as delinquent without also reporting that you are questioning your bill. We must tell you the name of anyone to whom we reported you as delinquent, and we must let those organizations know when the matter has been settled between us.

If we do not follow all of the rules above, you do not have to pay the first \$50.00 of the amount you question, even if your bill is correct.

## Joint Account

If this is a joint account, all parties are authorized to receive an advance under the checking LOC. This means an advance can be made upon request by only one of you and that the funds may be issued to only one of you. If you give inconsistent instructions, UNFCU can refuse to follow your instructions or terminate your access to the checking LOC. Each owner of the account will be individually and jointly responsible for paying the entire amount owed under the checking LOC. This means UNFCU can enforce its rights under the checking LOC against any one of you individually or against all of you together.

## Investigation Authorization

You agree to advise us of any changes in your financial condition, which may adversely affect your creditworthiness. You authorize us to obtain information concerning your creditworthiness from consumer reporting agencies, both now and in connection with updates, renewals, and later credit extensions. You also authorize us to exchange credit information concerning you or your account with (and answer questions and requests from) others, such as merchants and credit reporting agencies. At your request, we will tell you if such information has been obtained or if we take adverse action on your account as a result of information obtained from a consumer-reporting agency. We will advise you of that fact and supply you with the name and address of the agency making the report. We may require that you complete a new credit application if you wish to increase your credit limit or extend the terms of repayment through lower, minimum payments.

## Right to Reject the Plan

You may still reject this plan, provided that you have not yet used the account or paid a fee after receiving a billing statement. If you do reject the plan, you are not responsible for any fees or charges.

## Updating Information

You promise that you will promptly give UNFCU notice if you move, change your name or employment, or if any other information you provided to UNFCU in connection with any and all UNFCU accounts changes. You also agree to provide UNFCU with updated financial information about yourself upon request.

## UNFCU Rights

If UNFCU delays the exercise or enforcement of any of its rights under, or in connection with, this checking LOC, UNFCU will maintain all of those rights and may exercise and enforce them at any time in the future. Each of the rights under the checking LOC is separate. UNFCU can exercise and enforce one or more of those rights as well as any of its rights under the law one at a time or all simultaneously. If any provision of this checking LOC is found invalid, the remaining provisions will still be binding and effective.

## For Current UN Staff: Deduction From Final Entitlements

In accordance with applicable staff rules, You hereby authorize your employer to deduct from all or part of your final entitlements any funds that may be necessary to satisfy any loan and interest due to UNFCU in the event that You cease to be employed before such loan is paid in full. Should the final entitlements be insufficient to repay all funds to UNFCU, You understand that You are responsible for the remaining funds due and promise to repay these as scheduled by UNFCU.

## Default

Default is the failure to meet the legal obligations of a loan. You will be in default if you do not pay the required amount when it is due. Other conditions considered default include:

- Failure to keep any promise made under this checking LOC agreement.
- Defaulting on any security agreement made in connection to this checking LOC agreement.
- Filing for bankruptcy.
- Insolvency.
- Making false or misleading statements on any credit application or update of credit information.
- UNFCU's belief that there is a substantial reduction in your ability to repay.
- Death.

If you default, UNFCU is legally allowed to ask you for immediate payment of your entire unpaid balance. Payment in full should be made by the time specified in the demand letter. You will pay interest, at the rate in effect under this checking LOC, until what you owe has been repaid. If not, the shares and deposits given as security for the checking LOC can be applied toward your owed amount. UNFCU can also exercise any other rights given by law.

## Collection Costs

You promise to pay all costs of collecting the amount you owe under this agreement, including court costs and reasonable attorney fees.

## Canceling or Changing this LOC

UNFCU has the right to change the terms of the checking LOC from time to time after giving you notice as required by law.

Any increase in the daily periodic rate due to a variable interest rate is not considered a change in terms under the checking LOC. You or UNFCU can cancel the checking LOC at any time. Your obligation to pay the unpaid balances under the terms of the checking LOC continues whether you or UNFCU cancels the checking LOC.

## Governing Law

This agreement will be governed by the laws of the United States of America and applicable laws of the state of New York.

## Contact Us

Contact a member service representative for assistance with any of your financial requests.

### Email

Send your request to [email@unfcu.com](mailto:email@unfcu.com).

### Telephone

Speak with a member service representative by dialing +1 347-686-6000 or call toll free from international locations listed on [unfcu.org/tollfree](http://unfcu.org/tollfree).

### WebChat

Instantly communicate with a member service representative by clicking on the UNFCU WebChat link located online at [unfcu.org/contact](http://unfcu.org/contact).

### Fax

+1 347-686-6400

### Postal Mail

**United Nations Federal Credit Union**  
Court Square Place, 24-01 44th Road  
Long Island City, NY 11101, USA

Attention: Member Directed Service

### Visit UNFCU

Please go to [unfcu.org](http://unfcu.org) for the addresses and hours of operations for each of our locations.

We have branches in the US:

- New York City
- Washington, DC

We have representative offices in Europe and Africa:

- Entebbe, Uganda
- Geneva, Switzerland
- Nairobi, Kenya
- Rome, Italy
- Vienna, Austria

Our representative offices cannot conduct cash transactions.

*serving the people who serve the world*®

**United Nations Federal Credit Union**

Court Square Place, 24-01 44th Road  
Long Island City, NY 11101, USA  
+1 347-686-6000 | email@unfcu.com

This credit union is federally insured by the National Credit Union Administration (NCUA). Accounts and shares are insured by the Administration to the maximum insurance amount for each member or shareholder. Unless otherwise noted, fees may be associated with certain products and services. Certain UNFCU products and services are subject to approval. Federal and state laws may limit the availability of certain products and services in select areas.

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