

CREDIT AGREEMENT AND DISCLOSURE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer ***	Initials
References in the boxes above are for our use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.							

Borrower:

Lender: Dawson Co-op Credit Union

Cosigner:

Interest Rate and Interest Charges	
Annual Percentage Rate (APR) for Cash Advances	18.000%
Paying Interest	You will be charged interest from the transaction date.

Fees	
Annual Fee	None
Penalty Fees	
<ul style="list-style-type: none"> • Late Payment 	\$5

How We Will Calculate Your Balance: We use a method called "daily balance (including current transactions)." See your account agreement for more details.

Billing Rights. Information on your rights to dispute transactions and how to exercise those rights is provided in your account agreement.

CREDIT LIMIT:

DATE OF AGREEMENT:

Introduction. This Credit Agreement and Disclosure ("Agreement") governs your line of credit (the "Credit Line" or the "Credit Line Account") issued through Dawson Co-op Credit Union. In this Agreement, the words "Borrower," "you," "your," and "Applicant" mean each and every person who signs this Agreement, including all Borrowers named above. The words "we," "us," "our," and "Lender" mean Dawson Co-op Credit Union. **You agree to the following terms and conditions:**

Promise to Pay. You promise to pay Dawson Co-op Credit Union, or order, the total of all credit advances, accrued interest and interest charges, together with all fees, charges, costs and expenses for which you are responsible under this Agreement. You will pay your Credit Line according to the payment terms set forth below. **If there is more than one Borrower, each is jointly and severally liable on this Agreement. This means we can require any Borrower to pay all amounts due under this Agreement, including credit advances made to any Borrower. Each Borrower authorizes any other Borrower, on his or her signature alone, to cancel the Credit Line, to request and receive credit advances, and to do all other things necessary to carry out the terms of this Agreement. We can release any Borrower from responsibility under this Agreement, and the others will remain responsible.**

Term. The term of your Credit Line will begin as of the date of this Agreement ("Opening Date") and will continue until termination of your Credit Line Account. All indebtedness under this Agreement, if not already paid pursuant to the payment provisions below, will be due and payable upon termination. The draw period of your Credit Line will begin on the Opening Date and will continue as follows: Draws available until line is closed. You may obtain credit advances during this period ("Draw Period").

Minimum Payment. Your "Regular Payment" will be based on a percentage of your outstanding balance as shown below or \$20.00, whichever is greater. Your payment will be rounded up to the nearest ten dollars. Your payments will be due monthly.

Range of Balances

All Balances

Regular Payment Calculation

10.000% of your outstanding balance

Your "Minimum Payment" is your Regular Payment, plus any amounts past due and all fees and charges.

In any event, if your Credit Line balance falls below \$20.00, you agree to pay your balance in full. You agree to pay not less than the Minimum Payment on or before the due date.

How Your Payments Are Applied. Unless otherwise agreed or required by applicable law, payments and other credits will be applied first to late payment fees and other penalty fees or collection costs; then to accrued interest; and then to unpaid principal.

Credit Limit. This Agreement covers a revolving line of credit for the principal amount of One Thousand & 00/100 Dollars (\$1,000.00), which will be your "Credit Limit" under this Agreement. You may borrow against the Credit Line, repay any portion of the amount borrowed, and re-borrow up to the amount of the Credit Limit. Your Credit Limit is the maximum amount you may have outstanding at any one time. You agree not to attempt, request, or obtain a credit advance that will make your Credit Line Account balance exceed your Credit Limit. Your Credit Limit will not be increased should you overdraw your Credit Line Account. If you exceed your Credit Limit, you agree to repay immediately the amount by which your Credit Line Account exceeds your Credit Limit.

Charges to your Credit Line. We may charge your Credit Line to pay other fees and costs that you are obligated to pay under this Agreement or any other document related to your Credit Line. Any amount so charged to your Credit Line will be a credit advance and will decrease the funds available, if any, under the Credit Line. However, we have no obligation to provide any of the credit advances referred to in this paragraph.

Credit Advances. Beginning on the Opening Date of this Agreement, you may obtain credit advances under your Credit Line as follows:

Telephone Request. Requesting a credit advance from your Credit Line to be applied to your designated account by telephone. Except for transactions covered by the federal Electronic Fund Transfers Act and unless otherwise agreed in your deposit account agreement, **you acknowledge and you agree that we do not accept responsibility for the authenticity of telephone instructions and that we will not be liable for any loss, expense, or cost arising out of any telephone request, including any fraudulent or unauthorized telephone request, when acting upon such instructions believed to be genuine.**

Overdrafts. Writing a check or sharedraft on your designated checking account with us in excess of the available collected balance in the account.

Requests in Person. Requesting a credit advance in person at any of our authorized locations.

If there is more than one person authorized to use this Credit Line Account, you agree not to give us conflicting instructions, such as one Borrower telling us not to give advances to the other.

Transaction Requirements. The following transaction limitations will apply to the use of your Credit Line:

Overdraft Limitations. The following transaction limitations will apply to your Credit Line and writing a check or sharedraft in excess of your checking account balance.

Minimum Advance Amount. The minimum amount of any credit advance that can be made on your Credit Line is \$100.00.

In Person Request and Telephone Request Limitations. The following transaction limitations will apply to your Credit Line and requesting an advance in person and requesting an advance by telephone.

Minimum Advance Amount. The minimum amount of any credit advance that can be made on your Credit Line is \$0.01.

Limitation on All Access Devices. You may not use any access device, whether described above or added in the future, for any illegal or unlawful transaction, and we may decline to authorize any transaction that we believe poses an undue risk of illegality or unlawfulness. Notwithstanding the foregoing, we may collect on any debt arising out of any illegal or unlawful transaction.

Future Credit Line Services. Your application for this Credit Line also serves as a request to receive any new services (such as access devices) which may be available at some future time as one of our services in connection with this Credit Line. You understand that this request is voluntary and that you may refuse any of these new services at the time they are offered. You further understand that the terms and conditions of this Agreement, together with any specific terms covering the new service, will govern any transactions made pursuant to any of these new services.

Collateral. To the extent collateral previously has been given to us by any person which may secure this loan, whether directly or indirectly, it is specifically agreed that no previously given collateral consisting of household goods will secure this loan. In addition, if any collateral requires the giving of what is generally referred to as a right of rescission notice a right of rescission under Truth in Lending for this loan, such collateral also will not secure this loan unless and until all required notices of that right have been given.

Statutory Lien. You agree that all credit advances you receive under the plan are secured by all shares and deposits in all joint and individual accounts you have with us now and in the future. You authorize us to apply the balance in these accounts to pay any amounts due under this Agreement when you are in default under this Agreement. 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.

When Interest Begins To Accrue. Interest on credit advances under your Credit Line will begin to accrue on the date credit advances are posted to your Credit Line. There is no "grace period" which would allow you to avoid paying interest on your Credit Line credit advances.

Method Used to Determine the Balance on Which Interest Will Be Computed. We figure the interest charge on your Credit Line Account by applying the periodic rate to the "daily balance" of your Credit Line Account for each day in the billing cycle. To get the daily balance, we take the beginning balance of your Credit Line Account each day, add any new advances and subtract any payments or credits and any unpaid interest or other finance charges. This gives us the "daily balance."

Method of Determining the Amount of Interest Charges. The interest charged to your Credit Line is determined by applying the applicable daily "Periodic Rate" to the balance described herein. Then we add together the periodic interest charges for each day in the statement cycle.

Periodic Rate and Corresponding Annual Percentage Rate. The Periodic Rate and the corresponding Annual Percentage Rate on your Credit Line are based upon an Annual Percentage Rate on ranges of balances as shown below. To determine the Periodic Rate that will apply to your account, we then divide the value of the interest rate by the number of days in a year (daily). To obtain the Annual Percentage Rate we multiply the Periodic Rate by the number of days in a year (daily). This result is the Annual Percentage Rate. In no event will the Periodic Rate or corresponding Annual Percentage Rate exceed the maximum rate allowed by law.

Range of Balance or Conditions	Current Rates		
	Interest Rate	Corresponding Annual Percentage Rate	Daily Periodic Rate
All Balances	18.000%	18.000%	0.04932%

Notwithstanding any other provision of this Agreement, we will not charge interest on any undisbursed loan proceeds.

Fees Imposed On the Credit Line. You agree to pay the following fees:

Penalty Fees. You agree to pay the following penalty fees:

Late Payment Fee. If you do not make your payment within 11 days after the "Payment Due Date" shown on the voucher that you receive with each credit advance, in addition to our rights in default, we may charge you \$5.00.

Right to Credit Advances. Beginning on the Opening Date, we will honor your requests for credit advances up to your Credit Limit so long as: (A) you are not in default under the terms of this Agreement; (B) this Agreement has not been terminated or suspended.

Default. We may declare you to be in default if any one or more of the following events occur: (A) you fail to pay a Minimum Payment when due; (B) you die; (C) you make any false or misleading statements on your Credit Line application; (D) you violate any provision of this Agreement or any other agreement with us; (E) any garnishment, attachment, or execution is issued against any material asset owned by you; (F) you exceed your Credit Limit; (G) you file for bankruptcy or other insolvency relief, or an involuntary petition under the provisions of the Bankruptcy Code is filed against you.

Lender's Rights. If you are in default, we may terminate or suspend your Credit Line Account without prior notice. However, we will notify you in writing of our action as soon as practicable.

Suspension. If we suspend your Credit Line, you will lose the right to obtain further credit advances. However, all other terms of this Agreement will remain in effect and be binding upon you, including your liability for any further unauthorized use of any Credit Line access devices.

Termination. If we terminate your Credit Line, your Credit Line will be suspended and the entire unpaid balance of your Credit Line Account will be immediately due and payable, without prior notice except as may be required by law, and you agree to pay that amount plus all interest, fees, and other amounts due under this Agreement.

Collection Costs. We may hire or pay someone else to help collect this Agreement if you do not pay. You will pay us that amount. This includes, subject to any limits under applicable law, our reasonable attorneys' fees and our legal expenses, whether or not there is a lawsuit, including reasonable attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, you also will pay any court costs, in addition to all other sums provided by law.

Remedies. In addition, we shall have all the rights and remedies provided in the related documents or available at law, in equity, or otherwise. Except as may be prohibited by applicable law, all of our rights and remedies shall be cumulative and may be exercised singularly or concurrently. Election by us to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of you shall not affect our right to declare a default and to exercise its rights and remedies.

Delay in Enforcement. We may delay or waive the enforcement of any of our rights under this Agreement without losing that right or any other right. If we delay or waive any of our rights, we may enforce that right at any time in the future without advance notice. For example, not terminating your account for non-payment will not be a waiver of our right to terminate your account in the future if you have not paid.

Termination by you. If you terminate this Agreement, you must notify us in writing at the address shown on your periodic statement or other designated address. Despite termination, your obligations under this Agreement will remain in full force and effect until you have paid us all amounts due under this Agreement.

Prepayment. You may prepay all or any amount owing under this Credit Line at any time without penalty, except we will be entitled to receive all accrued interest, fees, and other charges, if any. Payments in excess of your Minimum Payment will not relieve you of your obligation to continue to make your Minimum Payments. Instead, they will reduce the principal balance owed on the Credit Line. You agree not to send us payments marked "paid in full", "without recourse", or similar language. If you send such a payment, we may accept it without losing any of our rights under this Agreement, and you will remain obligated to pay any further amount owed to us. **All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: Dawson Co-op Credit Union, Renville, 208 N Main Street, PO Box 585 Renville, MN 56284.**

Notices. All notices will be sent to your address as shown in your Credit Line application. Notices will be mailed to you at a different address if you give us written notice of a different address. You agree to advise us promptly if you change your mailing address.

Annual Review. You agree that you will provide us with a current financial statement, a new credit application, or both, annually, on forms provided by us. Based upon this information we will conduct an annual review of your Credit Line Account. You also agree we may obtain credit reports on you at any time, at our sole option and expense, for any reason, including but not limited to determining whether there has been an adverse change in your financial condition. You authorize us to release information about you to third parties as described in our privacy policy and our Fair Credit Reporting Act notice, provided you did not opt out of the applicable policy, or as permitted by law. Based upon a material adverse change in your financial condition (such as termination of employment or loss of income), we may suspend your Credit Line.

Transfer or Assignment. Without prior notice or approval from you, we reserve the right to sell or transfer your Credit Line Account and our rights and obligations under this Agreement to another lender, entity, or person. Your rights under this Agreement belong to you only and may not be transferred or assigned. Your obligations, however, are binding on your heirs and legal representatives. Upon any such sale or transfer, we will have no further obligation to provide you with credit advances or to perform any other obligation under this Agreement.

Notify Us of Inaccurate Information We Report To Consumer Reporting Agencies. Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: Dawson Co-op Credit Union 711 6th Street, PO Box 1002 Dawson, MN 56232.

Jury Waiver. We and you hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by either us or you against the other.

Governing Law. This Agreement will be governed by federal law applicable to us and, to the extent not preempted by federal law, the laws of the State of Minnesota without regard to its conflicts of law provisions. This Agreement has been accepted by us in the State of Minnesota.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Interpretation. You agree that this Agreement is the most reliable evidence of your agreements with us. If we go to court for any reason, we can use a copy, filmed or electronic, of any periodic statement, this Agreement, or any other document to prove what you owe us or that a transaction has taken place. The copy, microfilm, microfiche, or optical image will have the same validity as the original. You agree that, except to the extent you can show there is a billing error, your most current periodic statement is the most reliable evidence of your obligation to pay.

Severability. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court will enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable.

Acknowledgment and Amendments. You understand and agree to the terms and conditions in this Agreement. You acknowledge that, subject to applicable laws, we have the right to change the terms and conditions of the Credit Line program. You also understand and agree that you may be subject to other agreements with us regarding transfer instruments or access devices which may access your Credit Line. Any person signing below may request a modification to this Agreement, and, if granted, the modification will be binding upon all signers. By signing this Agreement, you acknowledge that you have read this Agreement. You also agree that you have received a completed copy of this Agreement, including the Fair Credit Billing Notice.

NOTICE TO COSIGNER

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The Lender can collect this debt from you without first trying to collect from the borrower. The Lender can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of **YOUR** credit record.

This notice is not the contract that makes you liable for the debt.

BILLING ERROR RIGHTS
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 us at

Dawson Co-op Credit Union
Renville
208 N Main Street, PO Box 585
Renville, MN 56284

or at the address listed on your statement.

In your letter, give us the following information:

- Account information: Your name and 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 days after the error appeared on your statement.
- At least 3 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. 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 of the amount you question even if your bill is correct.