EQUITY LINE OF CREDIT AGREEMENT AND DISCLOSURE STATEMENT

LINE SECURED BY DEED OF TRUST (EQUITY LINE VISA)

San Diego County Credit Union®

BORROWER'S NAME	ACCOUNT NUMBER	DATE OF AGREEMENT
Jane Doe (SAMPLE DATA)	XXXXXX1234-75 (SAMPLE DATA)	10/24/2011 (SAMPLE DATA)
CO-BORROWER'S NAME (IF APPLICABLE)	CREDIT LIMIT	DRAW PERIOD: 10 Years After Date of Loan (SAMPLE DATA)
John Doe (SAMPLE DATA)	$50,000 (SAMPLE DATA)	FINAL DATE TO REQUEST ADVANCES: 10/24/2021 (SAMPLE DATA)
INITIAL ADVANCE	MINIMUM SUBSEQUENT ADVANCE	FINAL DUE DATE
$0.00 (SAMPLE DATA)	$0.00 (SAMPLE DATA)	11/18/2031 (SAMPLE DATA)

NOTE: The data included within this Agreement represents a sample for interest-only payments on a 70% combined loan-to-value agreement and is current as of October 2011 and subject to change. This may not reflect the specific terms of your loan. Please contact us for more information by visiting **sdccu.com**, by visiting any of our convenient branch locations or by calling (877) 732-2848.

DEFINITIONS: This Agreement governs your San Diego County Credit Union (SDCCU®) Equity Line of Credit Plan ("Account"). The words "you" and "your" mean each person (individually or jointly if more than one) who signs below. The words "we", "us" or "our" mean San Diego County Credit Union. You will be jointly and severally bound by the terms and conditions of this Agreement from the time you sign below.

NATURE OF YOUR ACCOUNT: Your account is an open-end revolving line of credit. This means that you may request an advance of all or a part of your line of credit at any time. By repaying any amount advanced, that amount becomes available to you after your payment is credited to your account balance as you need it unless (a) an Event of Default has occurred; (b) we exercise our right to cancel or restrict use of the Equity Line of Credit Program; or (c) you exercise your right to cancel your account.

PROMISE TO PAY: For value received, you promise to pay according to the terms of this Agreement any and all advances outstanding plus any finance charge(s) and other fees which may be assessed on your account, including reasonable attorney's fees and court costs.

SECURITY: All advances under this Agreement are secured by a Deed of Trust on your real property located at:
1234 Any Street, Any Town, CA 12345 (SAMPLE DATA)

In addition to the protections given to SDCCU under this Agreement, the Deed of Trust protects SDCCU from possible losses which might result if you do not keep the promises that you make in this Agreement. Not withstanding the language contained in other security agreements, the obligations hereunder are secured by this Deed of Trust. You hereby authorize us upon default to apply any and all paid shares, payment on shares or deposits and earnings on shares and deposits (except IRA and KEOGH) to the payment of said loan, interest or late charges, costs or expenses including reasonable attorney' s fees at any time subsequent to default.

CREDIT LIMIT: A credit limit has been set on your account and is shown above. You agree not to allow the amount that you owe us at any one time to exceed your approved credit limit.

OVER CREDIT LIMIT FEE: **$10** for any month the balance of your account on the statement date exceeds the credit limit by **$500** or **20%** of your approved limit, whichever is less. If you exceed the approved account credit limit you will be required to pay the minimum payment due on the account, plus the amount in excess of your approved credit limit.

INSURANCE: You agree to obtain fire, and if required, flood insurance on the real property. You will provide us with copies of the insurance policies that will name SDCCU as mortgagee and be in an amount and in a form acceptable to us. If you fail to provide us with proof of insurance we may obtain it and add its cost to your account, which you agree to pay for. The cost will be added to the principal balance and will accrue finance charges.

ANNUAL FEE: Your account will be charged an annual Membership Fee of **$50**. The annual Membership Fee will be assessed on the anniversary date of this loan. This annual fee is not imposed in connection with any specific extension of credit but is a charge for having this account. If there is no credit balance, the entire fee will be due and payable on the next regularly scheduled payment date. The annual Membership Fee will be non-refundable and you shall owe it once it is posted to your account, even if your account is subsequently changed, suspended or terminated for any reason. **(Currently Waived.)**

FINANCE CHARGE: (a) All loans or other advances from your account except finance charge(s) and late charges are subject to finance charge(s) from the date added to your account until paid. Finance charge(s) will be due and payable before and after any breach of this Agreement. We figure the finance charge(s) on your account by applying the daily periodic rate to the daily balance of your account each day and each of these figures is added together to determine the total finance charge; (b) The balance used to compute the finance charge(s) is the balance in the account each day after payments and credits have been subtracted and new advances or other debits have been added to the account; (c) The daily periodic rate is the applicable Annual Percentage Rate (APR) divided by 365. The APR does not include costs and fees, only interest. The APR for each billing period will be based on the highest printed Prime Rate of interest in the "Money Rates" column of the West Coast Edition of the Wall Street Journal published on the 15th of each month or the next business day. We will add **0.750%** to this Prime Rate to get the APR from which the daily periodic rate for the next billing period on your account is derived. Changes in the APR will be effective on the next business day following the cycle date. The effect of an increase in the Prime Rate will be an increase in the finance charge. If Prime Rate is discontinued or becomes unavailable for any reason, we will select a comparable index and margin and notify you of the index and margin selected; (d) As of **10/24/2011**, the corresponding APR for your account would be **4.000%**. The minimum APR over the life of the loan is **4.000%**. The maximum APR over the life of the loan is **10.000%**.

INTRODUCTORY RATE: We may offer a discounted rate for an introductory period of time. The discounted rate will be in effect through the appropriate number of billing cycles following the opening of your account. Thereafter, the balance will convert to the prevailing variable rate then in effect at the end of the introductory period. ☒ If this box is checked, notwithstanding the above, the initial Daily Periodic Rate used to compute the finance charge is **0.008191780%** (that is an APR of **2.990%**). Immediately following the twelve (12) month anniversary of the Open Date of Agreement defined above and will be effective on the next business day following the cycle date (each "Interest Rate Change Date"), your rate may change as set forth above.

CHANGE OF ADDRESS: You agree to notify us promptly in writing of a change in your residence or mailing address.

CREDIT INFORMATION: We may re-examine and re-evaluate your credit worthiness at any time. You authorize us to receive information from others concerning you and/or your accounts and you agree to submit current financial information to us if we request it. We may report our experience with you to others including other financial institutions and credit bureaus.

WAIVERS: We can waive or decline to enforce any of our rights under this Agreement at any time without losing them.

PAYMENTS: The monthly payment is either 1% of the outstanding principal loan balance or outstanding finance charge or a minimum payment of $100 whichever is greater as chosen below unless the amount you owe us is less, in which case that will be the minimum payment. The monthly statement sent to you will show the amount of the next payment, current interest rate, principal loan balance and periodic rate.

PAYMENT SCHEDULE: ☐ Principal and Interest Payments. Principal and interest payments shall be due monthly based on 1% of the outstanding principal balance or **$100**, whichever is greater. Any payment that delays or accelerates the reduction of the loan balance will increase or decrease the finance charge.

Minimum monthly payments will not repay the outstanding balance of your loan by the maturity date. Unless sooner repaid, all remaining sums shall be due and payable in full in a single "balloon payment" on the maturity date. At least 90 but not more than 150 days prior to maturity of a balloon payment loan, we will send you a notice which states among other things, the maturity date, the balance due at maturity (assuming all scheduled payments between notification and maturity have been made) and whether and under what conditions we will refinance the loan.

☒ Interest Only Payments. Interest only payments will be due monthly and will equal the finance charges that accrued on the outstanding balance during the preceding month or **$100**, whichever is greater. Interest only payments will not repay the outstanding balance of your loan by the maturity date. Unless sooner repaid, all remaining sums shall be due and payable in full in a single "balloon payment" on the maturity date. At least 90 but not more than 150 days prior to maturity of a Balloon Payment Loan, we will send you a notice which states, among other things, the maturity date, the balance due at maturity (assuming all scheduled payments between notification and maturity have been made), and whether and under what conditions we will refinance the loan.

Said payments, either principal and interest or interest only payments shall be payable at our branch offices in San Diego, Riverside and Orange counties, or such other place as we may designate on the 27th of each month (due date) beginning on the 27th of the month following your initial advance. You have the right to repay at any time any unpaid principal, accrued interest and other amounts due. An early closure reimbursement of **$500** will be assessed if you payoff and close the loan within the first thirty-six (36) months. This reimbursement will be used to offset expenses paid by SDCCU when your loan was opened. All monies repaid will be applied first to collection costs then to any late charges, the finance charge owing, then to payments in default prior to posting currently due payments. Upon default in payment of any installment when due, the entire outstanding principal balance, all accrued interest and late charges shall become immediately due and payable at our option, or our successors and assigns, with no obligation to declare default. Principal and interest shall be payable in lawful money of the United States. If under this Agreement you fail to make a payment when due you promise to pay in addition to principal and interest all costs of collection and reasonable attorney's fees incurred by us hereof on account of such collection whether or not suit is filed hereon. This Note is secured by a Deed of Trust to San Diego County Credit Union, dated **10/24/2011**, which enumerates certain real property in **San Diego** County, California; the terms of which are incorporated herein by this reference for determining our rights or that of our successors to acceleration of the indebtedness of this Agreement and as to all other rights we have under the Deed of Trust. Periodic payments are required on the agreed due dates as long as any balance is outstanding. Any partial prepayment of the loan will not delay the next payment due date. Any payment that delays or accelerates the reduction of the loan balance will increase or decrease the finance charge. Any prepayment of the loan will be applied in the same manner as a scheduled payment, unless requested by you to be a principal only payment.

THIS LOAN IS PAYABLE IN FULL AT THE END OF 20 YEARS. YOU MUST REPAY THE ENTIRE PRINCIPAL BALANCE OF THE LOAN AND UNPAID INTEREST THEN DUE.

LATE CHARGES: If you fail to make any payment within ten (10) days after such payment was due, a late charge shall be immediately due and payable. You agree that if for any reason you fail to pay any such amounts due under this Agreement, we shall be entitled to damages for the detriment caused thereby, but that it is extremely difficult and impractical to ascertain the extent of such damages. You therefore agree that a sum equal to six percent (6%) of any monthly installment not received by us within ten (10) days after the installment was due with a minimum of $10, is a reasonable estimate of the damages to us, which such amount you agree to pay on demand.

SALE OF PROPERTY: Sale of the real property will be a default under the terms of this Agreement and the Deed of Trust. This default will terminate our obligation to make advances hereunder and cause the entire outstanding balance to be immediately due and payable.

EVENT OF DEFAULT: An event of default shall include, but not be limited to the following: failure to make any payment when due; failure to give immediate notice of any loss, theft or unauthorized use of any credit card or draft issued hereunder; filing a bankruptcy proceeding or insolvency proceeding by or against you; you breach any other covenant of this Agreement; you breach a covenant contained in the Deed of Trust; you further encumber the real property or allow the real property to be subjected to a lien or encumbrance junior to the Deed of Trust securing your obligations hereunder; if we reasonably deem the debt insecure or unsafe; on the sale of the real property described in this Agreement; you die; there is a material decline in your financial condition as determined by us; requesting an advance through use of this account in any manner or amount or by means not authorized by us hereunder and/or you omitted material information in your credit application or made any false or misleading statement in your credit statement. Upon default, as defined above, all unpaid balance(s) under this Agreement together with all late payment charges and interest due becomes immediately due and payable without notice at our option or our successors option. Upon the sale of the real property described in this Agreement you shall be jointly and/or severally responsible for any deficiency judgment in accordance with the laws of the State of California. Our failure or refusal to enforce at any time the conditions of this Agreement or Deed of Trust in connection herewith is not to be construed as a waiver of rights to assert the breach of the term or condition in any action or dispute between you and us.

RETURN ITEM CHARGE: We will charge and you will pay a Return Item Charge any time your check or other instrument is returned to SDCCU. We will charge and you will pay a Non-Sufficient Funds Charge any time a check or other instrument is returned by SDCCU for any reason. For current fee and charge information look for our Consumer Services Fee Schedule online at sdccu.com, call us at (877) 732-2848 or visit any of our convenient branch locations.

STOPPING PAYMENT: SDCCU's rules for stopping payment on checks or deposit accounts apply to stopping payment on equity line checks.

RECONVEYANCE: We, or our successor assigned, shall have the right to charge a reconveyance fee upon the payment of all sums due in this Agreement and upon request for reconveyance by the person(s) or entity entitled to the real property described in the Deed of Trust referenced herein.

COST OF COLLECTION: You agree to pay all collection costs, including court costs, attorney fees and charges incurred in securing return of unused checks and/or your Visa® card(s). We may bill these costs to your account.

TERMINATION/ACCELERATION: Upon an event of default as defined above or upon the following determinations made by SDCCU, we shall terminate the right to further advances with written notice to you. Said termination shall not affect your duty to repay all sums still owed to us. Adverse re-evaluation of your credit worthiness or failure by you to satisfy the terms of the Agreement; or falsification of loan application or update; or reduction in appraised value of collateral. SDCCU can suspend the Plan and reduce your credit limit if: any of the events described in "Event of Default" occur; or the value of the property declines significantly below the appraised value used to establish this Plan; or we reasonably believe you will be unable to repay the money owed under the Plan due to a material change in your financial circumstances; or you fail to keep or perform any material obligation under this Plan or the Deed of Trust securing this Plan; or governmental action prevents us from charging the annual percentage rate called for by this Plan or impairs our security interest such that the value of our security is less than 120% of the Credit Limit; or we are notified by the governmental agency responsible for supervising our operations that future advances may constitute an unsafe or unsound practice; or the annual percentage rate due under the Plan reaches the maximum permitted under this Agreement; or anyone borrower on this Plan requests that further advances not be made; or your membership is terminated.

ACCELERATION UPON ALIENATION: In the event of sale, transfer, conveyance or alienation of said real property, (given as security for the performance of the terms of this Agreement by you in that Deed of Trust which you executed concurrently with this Agreement), or any part thereof, or any interest therein, whether voluntary or involuntary or by operation of law, we shall have the right of acceleration at our option to declare the note irrespective of the maturity date expressed herein and without demand or notice immediately due and payable. No waiver of this right shall be effective unless in writing. Consent by us to one such transaction shall not constitute a waiver of the right to require such consent to succeeding transactions.

CANCELLATION BY SDCCU: We may cancel or suspend the use of your account, as long as we send you written notice before cancellation becomes effective. In the event of cancellation, the outstanding balance will be payable according to the terms of this Agreement.

CANCELLATION BY YOU: You may cancel this Agreement by written notice to SDCCU. The notice must include your account number, all unused checks that have been issued to you and any Visa cards issued in connection with this Agreement. Cancellation will be effective on receipt of all checks and any charge made on your Visa card(s). At the time of cancellation, the outstanding balance will be payable according to the term of this Agreement.

NOTICE: As required herein, notice to SDCCU shall be sent to the address shown on your latest monthly statement, to be effective when received. Notice to you shall be sent to you at your address in our records to be effective when deposited in the U.S. mail, postage prepaid unless otherwise stated in the notice.

ADVANCES: Advances are obligatory and shall include but not be limited to (i) any charges or advances made or caused to be made as a result of use of any loan check, automatic teller machine (ATM) or any other such device, instrument or method where such charge or advance(s) is in excess of any available balance on deposit (overdrafts); and (ii) any charges or advances made or caused to be made as a result of use of any check, card, loan, draft, ATM or any other such device, instrument or method ("credit card advances"), and (iii) any charge or advance Borrowers initiate via phone, personal computer or any remote access device with the resulting proceeds deposited to the borrowers share account, checking account or any other SDCCU account you may have. Each joint borrower has the power to request and receive advances and each agrees to be obligated for it. Each joint borrower shall be held jointly and/or severally liable for all payments due in accordance with the terms of this note.

ACCESS: You may access your Account by cash advance, check, Visa credit card, TalkTone® Teller and/or Internet Branch online banking. The funds can be mailed to you or deposited into your account with us.

CHECK ACCESS: For the check access feature of your Equity Line of Credit Agreement, you authorize SDCCU to pay all checks signed only by authorized users of this account and to charge any payments to your Equity Line of Credit. Any payment made by us shall be valid and you discharge us from any liability for such payment. In addition, you agree to the following conditions for check access: only blank checks and other methods approved by us may be used to access funds from this account; we are under no obligation to pay a check more than six months old; we are not liable for any action that is taken regarding payment or non-payment of any check; we are under no obligation to hold a post dated check and further, we reserve the right to process every check as presented as if dated the same day as received by us; we are under no obligation to pay any check which, if paid, would result in your exceeding the established line of credit. In addition, we are authorized to assess any service charges for the special handling of such an item in accordance with the schedule of fees adopted from time to time by us; the use of check access to your line of credit is subject to any additional terms, conditions and requirements that we may establish from time to time; you may stop payment on a check in the same manner you stop payment on any other check; we will not certify checks; notify us immediately at the number shown on your monthly statement if any checks are lost or stolen; and we will not return your canceled checks to you, but we will retain photocopies. You agree to examine your monthly statement promptly in order to identify improperly or unauthorized transactions.

VISA CARD ACCESS: Visa card access to your line of credit may be done through a credit card specifically issued for the purpose of this line of credit. The use of such card shall be governed by this Agreement and a separate ATM Agreement whose terms are hereby incorporated by reference herein.

TALKTONE/TOUCHTONE TELLER: TalkTone and/or TouchTone Teller access may be made to your line of credit through the TalkTone/TouchTone Teller audio response program in the same manner as any other account which may be accessed through that program.

INTERNET: Internet access may be made to your line of credit through the Internet Branch online banking program in the same manner as any other account which may be accessed through that program.

SEVERABILITY: If any provision of this Agreement is held to be unenforceable, such determination shall not affect the validity of the remaining provisions of this Agreement.

JOINT ACCOUNTS: If this is a joint account, each of you will be jointly and severally liable for the money you owe us. Upon request by any party to the account or upon receipt of inconsistent instructions, we may at our option and without notice to any other party, refuse to pay any check, make a cash advance, or refuse any other request with respect to the account.

INITIAL CANCELLATION: As part of this Agreement, you grant us a security interest in your primary residence and you may cancel this Agreement within three (3) business days after execution of this Agreement. To do this, you must complete and return the "Notice of Right to Cancel" given to you upon execution of this Agreement.

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 as soon as possible (on a separate sheet) at 6545 Sequence Drive, San Diego, CA 92121 or FAX your letter to us at (858) 453-8410. We must hear from you no later than 60 days after we sent you the first bill on which the error or problems appeared. You can call 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 and 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. If you have authorized us to pay your Visa card bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three (3) business days before the automatic payment is scheduled to occur.

YOUR RIGHTS AND OUR RESPONSIBILITIES AFTER WE RECEIVE YOUR WRITTEN NOTICE: We must acknowledge your letter within 30 days unless we have corrected we 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 in question including finance charge(s), 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 us within ten days telling us that you still refuse to pay, we must tell anyone we report to that you have questions about your bill and we must tell you the name of anyone we reported to. We must tell anyone we report to that the manner 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.

SPECIAL RULES FOR CREDIT CARD PURCHASES: If you have a problem with the quality of property or services that you purchased with your Visa card and you have tried in good faith to correct the problem with the merchant, you may have the right not to pay the remaining amount due on the property or services. There are two limitations on this right: you must have made the purchase in your home state or, if not within your home state, within 100 miles of your current mailing address and the purchase price must have been more than $50. These limitations do not apply if we own or operate the merchant or if we mailed you the advertisement for the property or services.

FOREIGN CURRENCY TRANSACTIONS: You agree that for any charge or credit made to your account in currency other than U.S. dollars, SDCCU may convert the amount into U.S. dollars following SDCCU's own procedures for determining the exchange rate and charge or credit your account for the U.S. dollar

amount. The amount determined following SDCCU's own procedures may be the same as, greater or less than the amount which would be calculated by conversion on the date the transaction was actually initiated.

TELEPHONE MONITORING: Our supervisory personnel may listen to or record telephone calls between you and our employees for the purpose of monitoring and improving the quality of service that you receive.

ADDITIONAL PROVISIONS: Notwithstanding anything herein to the contrary, in no event shall this Note bear interest at a rate in excess of that allowed under law. Borrower, sureties, guarantors and endorsers hereby waive presentment, demand for payment, notice of dishonor or acceleration, protest and notice of protest and any and all other notices or demands in connection with the delivery, acceptance, performance, default or enforcement of this Note. You also waive any rights to any stay of execution and the benefit of all applicable exemption laws now or hereafter in effect. You further agree to pay on demand any expenditures made by us for the payment of taxes (except for income taxes, franchise taxes and other similar taxes of ours), assessments, insurance premiums, repairs, maintenance and preservation of any improvements on the property or for attorney's fees incurred in connection with the enforcement of our rights hereunder and/or the security pledged for this indebtedness. At our option, after demand by us for payment of any such expenditures, all such expenditures may be added to the unpaid outstanding principal balance of this Note and be deemed evidenced and secured by this Note and accrue interest (until paid on the amount so expended) at the current interest rate in effect according to the terms of this Agreement. This Note shall, in all respects, be interpreted, enforced and governed by and under the laws of the State of California. If any term, provision or covenant of this Note is held by a court of competent jurisdiction to be invalid or unenforceable, the rest of the terms of this Note shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

NOTICE: YOU SHOULD CONSULT YOUR TAX ADVISOR CONCERNING THE DEDUCTIBILITY OF INTEREST AND CHARGES INCURRED UNDER THIS PLAN: Nothing in the terms and conditions of this Note shall be deemed to limit our successors or us and/or assigns rights to any other remedies as provided by law and/or equity upon a default in the terms of this Note. Time is of the essence in the performance hereof. We may require you to complete a loan update from time to time and/or require a new appraisal of the real property described in "Security Interest". You agree to pay all of our reasonable costs and expenses including attorney's fees in the collection of this debt. You further agree this Note and security agreement shall be interpreted and governed by the laws of the State of California. You further hereby expressly waive all rights provided by the Statute of Limitations. By signing this Note, security agreement and disclosure, you hereby certify and acknowledge that you have fully read this document and have received copies thereof. If more than one person signs this agreement, each shall be bound as joint and several borrowers for each loan or loan advances taken hereunder and further authorizes each other to execute amendments hereto and for each to be bound hereby.

JANE DOE (SAMPLE DATA)	DATE	JOHN DOE (SAMPLE DATA)	DATE