



## Woodforest National Bank

# ReLi Unsecured Revolving Line of Credit Agreement and Disclosures

DISCLOSURE VERSION DATE: JUNE 2, 2016

**\*\*\*\*IMPORTANT NOTICE\*\*\*\***

You are applying for an unsecured revolving line of credit from Woodforest National Bank ("Woodforest"). To be eligible, an open and active Woodforest deposit account, with your name as an owner, is required. To make payments towards your line, you may either make payments in person, or by phone, with your local Woodforest branch or through our online banking system ("Manual LOC") or if you link your Woodforest deposit account(s) to the line, automatic payments are required and a payment schedule will be established upon loan approval ("Linked LOC"). Each Woodforest deposit account may have (subject to satisfaction of applicant eligibility requirements) either PrivilegePay® overdraft protection product or a revolving line of credit associated with such account, but not both. If the revolving line of credit for which you are applying is approved and made available to you and you choose to have a Linked LOC, any PrivilegePay overdraft protection product that was previously associated with the checking account identified in the application will be removed and replaced by the approved revolving line of credit. Upon the expiration of the Term (as defined below), or if the revolving line of credit is terminated by either you or us, you may then request the PrivilegePay overdraft protection product be re-instated for the applicable linked checking account if you meet Woodforest's then-current eligibility requirements.

THIS AGREEMENT CONTAINS AN ARBITRATION PROVISION. PLEASE READ THE ARBITRATION PROVISION CAREFULLY AS IT AFFECTS YOUR LEGAL RIGHTS. AS MORE FULLY DESCRIBED HEREIN, IT PROVIDES THAT ANY CLAIMS (AS DEFINED BELOW) MUST, AT THE ELECTION OF EITHER YOU OR US, BE RESOLVED BY BINDING INDIVIDUAL ARBITRATION. THE ARBITRATION PROCEDURES ARE SIMPLER AND MORE LIMITED THAN RULES APPLICABLE IN COURT, AND ARBITRATION DECISIONS ARE SUBJECT TO VERY LIMITED REVIEW.

TERM OF REVOLVING LINE OF CREDIT: TWENTY-FOUR (24) MONTHS, ENDING ON THE 21<sup>ST</sup> DAY OF THE 24<sup>TH</sup> MONTH FROM THE EFFECTIVE DATE, UNLESS THE REVOLVING LINE OF CREDIT IS SUSPENDED OR TERMINATED BY YOU OR US PURSUANT TO EXPRESS TERMS HEREOF.

**Introduction:** This **ReLi Unsecured Revolving Line of Credit Agreement and Disclosures** (as amended by Woodforest from time to time, the "Agreement") governs the revolving line of credit issued to you through the Bank. In this Agreement, the words "Borrower," "you" and "your" mean each and every person who signs or submits the Application (as described below) or this Agreement or applies for a Woodforest revolving line of credit. The words "we", "us", "our", "Woodforest", and "Bank" means Woodforest National Bank, having a mailing address of P.O. Box 7889, The Woodlands, Texas 77387-7889, and its successors and assigns.

**Acceptance and Agreement:** You agree to the terms, conditions and provisions of this Agreement. You also acknowledge and agree that your submission of the Application and/or your use of funds advanced by the Bank hereunder, whether used by you or any person(s) you authorize, constitutes your acceptance of the terms, conditions, and provisions of this Agreement.

The following interest rates shall apply to your revolving line of credit (collectively, the "Finance Charges"):

<b>Interest Rate and Interest Charges</b>	
<b>Annual Percentage Rate (APR) Applied to Advances</b>	<b>15.99%</b>
<b>Paying Interest</b>	You will be charged interest from the date funds are advanced. No grace period exists.

<b>Fees</b>	
<b>Annual Fee</b>	None
<b>Late Payment Fee (each occurrence)</b>	<b>\$5.00 or 5% of the Minimum Monthly Payment (as defined below), whichever is less.</b>

**How We Will Calculate Your Balance:** We use a method called "Daily Balance (including new advances)". See this Agreement for more details.

**Billing Rights.** Information on your rights to dispute transactions and how to exercise those rights is provided in this Agreement.

**Applying for Revolving Credit:** You are applying for a revolving line of credit from the Bank. You hereby represent and warrant to the Bank that the information provided in the Application and Agreement are true, complete and correct and contain no material omissions. The Bank, and/or any other Woodforest business, may rely on this information. You authorize the Bank to obtain a consumer/credit report that we will use when considering your application for credit. You additionally authorize us to obtain credit reports and any other information about you in connection with 1) extensions of credit on your account; 2) the administration, review or collection of your account; and 3) offering you enhanced or additional products and services. If you ask, we will tell you the name and address of the credit bureau from which we obtained a report about you. Your Application will be processed by the Bank and shall remain the Bank's exclusive property.

If your Application is approved, the credit amount made available to you will be based on a review of the information you provide in the Application and your consumer/credit report; it may also include other information we may have bearing on your creditworthiness and will be advanced and repaid according to the rules set out in this Agreement. If we elect to extend credit to you pursuant to this Application and Agreement, you acknowledge that we reserve the right throughout the Term (as defined below) of this Agreement, subject to applicable law, to increase or reduce the amount of any credit we make available to you based upon any change in circumstances affecting, or potentially affecting, your creditworthiness and/or ability to repay or our ability to collect from you. You further acknowledge that we may, subject to applicable law, reduce the amount of any credit we make available to you at any time and for any or no reason including, without limitation, if you cease to maintain an active depository account relationship, in good standing, with the Bank. You should clearly indicate on your Application, and your approval letter shall reflect, whether you selected a Manual LOC or a Linked LOC.

You agree to draw upon the revolving line of credit only to the limit made available to you; provided, that if you exceed the limit of revolving credit made available to you, you shall nonetheless remain liable for the amount of such excess. Further, you acknowledge that you remain liable for disbursements even if your linked account is subject to withdrawals by another person who is not a party to this Agreement

**Manual LOC:** Advances on the revolving line of credit must be requested either in person, or by phone, at your local Woodforest branch or through Woodforest's online banking system.

**Linked LOC:**

**Designated Accounts:** If you elect a Linked LOC, pursuant to this Application and Agreement, your completed **ReLi Unsecured Revolving Line of Credit Application** (the "Application," which is incorporated herein by reference for all purposes) can identify up to three (3) Woodforest deposit accounts, of which you are a named owner, to which you desire your revolving credit to be linked ("Designated Accounts"). If you choose to have a Linked LOC, you are required to select a Primary Account on your Application, which will be funded first from the Linked LOC, and subsequent priority of any additional deposit accounts for advances. It is important to note that not all deposit accounts are eligible to be a Linked LOC. You may request a change in the order of advances to Designated Accounts by making a written request with your local Woodforest branch representative.

**IMPORTANT LIMITATIONS ON AVAILABILITY OF REVOLVING LINE OF CREDIT:**

1. **EFFECT OF REVOLVING LINE OF CREDIT ON PRIVILEGE PAY® OVERDRAFT PROTECTION PRODUCT:** You are applying for a revolving line of credit from the Bank that may be associated with Designated Accounts and thereby be a Linked LOC as defined herein. Each Woodforest checking account may have (subject to satisfaction of applicant eligibility requirements) either our PrivilegePay® overdraft protection product or a revolving line of credit associated with such account, but not both. If the revolving line of credit for which you are applying is approved and made available to you, and you elect a Linked LOC, any PrivilegePay that was previously associated with the Designated Accounts will be removed and replaced by the revolving line of credit. Upon the expiration of the Term of the revolving line of credit, if you choose to no longer use a Linked LOC, or if the revolving line of credit is terminated by either you or us, you may then request the PrivilegePay overdraft protection product be re-instated, at Woodforest's sole discretion, for the Designated Accounts if you satisfy Woodforest's then-current eligibility requirements. To re-instate Privilege Pay, please contact your local branch
2. You agree that if the revolving line of credit is made available to you and you have checking accounts with us besides the Designated Account (such checking account(s) excluding the Designated Accounts shall be referred to as the "Additional Accounts"), such Additional Accounts may not be eligible to participate in the PrivilegePay overdraft protection product unless such Additional Accounts have at least one co-owner other than the Borrower hereunder.
3. **Non-availability of Revolving Line of Credit for Checking Accounts that participate in the Take Charge Program®.** A Woodforest checking account that participates in the Woodforest Take Charge Program is not eligible to obtain a revolving line of credit associated with such checking account, whether a Manual LOC or a Linked LOC, unless, and until such time as, the checking account has been removed from the Take Charge Program. If you have an open revolving line of credit, whether a Manual LOC or a Linked LOC, and then begin participation in the Woodforest Take Charge Program, Woodforest shall have the sole option of suspending your revolving line of credit until such time as the checking account has been removed from the Take Charge Program. Upon removal from the Take Charge Program, please contact your local branch to reinstate your line of credit.

**Promise to Pay:** You promise to pay the Bank the total of all credit advances made by us under the revolving line of credit, any **FINANCE CHARGES**, any applicable fees, together with all amounts, costs, and expenses for which you are responsible under this Agreement (all of the foregoing shall be collectively referred to as the "Indebtedness"). If there is more than one Borrower, each is jointly and severally liable under this Agreement for all Indebtedness. This means we can require any Borrower to pay all amounts due under this Agreement, including credit advances made to any Borrower, without first attempting to collect from any other Borrower. Each Borrower authorizes any other Borrower to request and receive credit advances and to do all other things necessary to carry out the terms of this Agreement without requiring the permission of the other Borrower. If we have to collect through probate, an attorney, bankruptcy or any other proceedings, or if we should have to sue, you agree to pay all of our attorney's fees assessed by a court and court costs.

**Credit Advances:**

**Manual LOC:** In order to advance funds from your Manual LOC, you must request an advance either in person, or by phone, at your local Woodforest branch or through Woodforest's online banking system.

**Linked LOC:** In order to advance funds from your Linked LOC on Designated Accounts in excess of the available collected balance in the Designated Accounts, you may write a check, request an advance in person, or by phone, at your local Woodforest branch, initiate automated clearing house transactions from your Designated Accounts, use your Bank-issued debit card to perform transactions, or advance funds from your revolving line of credit to the Designated Accounts using Woodforest online banking system; provided, no credit

advance will take place to cover funds automatically transferred from the Designated Accounts to another Woodforest account via Account Sweep (as defined below). We will use whatever balance you have in your Designated Accounts first and then we will advance funds into your Designated Accounts in the amount that you request or until we have covered the insufficient items or you have exhausted the amount of available credit in your revolving line of credit, whichever occurs first. Advances shall be made to Designated Accounts in the priority order you have selected.

**Order of Advances When Account Sweep is Present for Designated Accounts:** In the event the Designated Account has a Linked LOC with available funds sufficient to pay any item(s) being presented and Account Sweep has been established using funds from another eligible Woodforest account (the "Sweep Account"), available funds from the Sweep Account will advance first before any funds will be swept into the Designated Account from the Linked LOC. If the Sweep Account has insufficient available funds to cover all items being presented for payment, then the Account Sweep from the Sweep Account will occur first to cover the item(s), then any remaining available funds required to cover the item(s) will be advanced from the Linked LOC. For purposes hereof, "Account Sweep" refers generally to the Bank product that allows you to protect an account against overdraft and insufficient item fees by transferring available funds from another Bank account when needed.

**NOTICE: The revolving line of credit available funds, are not included or displayed in your Designated Account's available balance at ATM's, the Teller Line, Online Banking, our Telephone Banking System, or on Email Notifications. If you select a Linked LOC, your transactions completed using an ATM, at the Teller Line, and on Online Banking will be approved by taking into consideration your revolving line of credit's available funds at the time of said transactions.**

**Computing the Finance Charges:** The day an advance is added to your account, **FINANCE CHARGES** begin to accrue. Accordingly, no grace period exists. But, only the portion of your revolving line of credit that is actually advanced will be charged. This is the method by which **FINANCE CHARGES** will be computed. We figure the interest charge on your account by applying the periodic rate of .04381% for an ANNUAL PERCENTAGE RATE of 15.99% to the "daily balance" of your account for each day in the billing cycle. "Daily balance" is figured by taking the beginning balance each day of the credit portion of your account, adding any new advances, and subtracting any payments and/or credits.

**Monthly Statement:** You will receive a monthly statement that will reflect the activity in your revolving line of credit including minimum payment due and the due date for the current billing period.

**Payments:** Payments will be due on the date specified in the monthly statement. The initial payment will be due approximately 35 days from the Effective Date, as defined under "Term". Every month Indebtedness is outstanding, you will be responsible for a minimum monthly payment equal to the sum of (i) the greater of 1) \$25.00 or 2) 5% of your outstanding balance for the current billing period, plus (ii) accrued interest along with any and all past due amounts including any unpaid late payment fees previously assessed (the "Minimum Monthly Payment Amount").

#### **Manual LOC**

For a Manual LOC, you must make your payments either in person at your local Woodforest branch, by mail to Woodforest's address below or through Woodforest's online banking system. You may also designate a deposit account number, of which you are a named owner, for Woodforest to debit (referred to as an "Automatic Debit"). Woodforest will automatically debit the account on the payment due date for the Minimum Monthly Payment Amount unless payment has already been made for that billing period by one of the methods listed above. Please contact your local branch to establish an automatic debit payment.

**Linked LOC** - If you choose a Linked LOC, automatic payments are required and a payment schedule will be established upon loan approval. Payments will be attempted from each linked account, in the priority order you have selected. You hereby authorize us to post (i) debits to the Designated Account(s) to satisfy the Minimum Monthly Payment (as defined above) and to correct clerical or administrative errors, and (ii) credits to the Designated Account if we deem it necessary.

Any payments not directly debited by the Bank should be made as follows:

#### **Mail your payment to:**

Woodforest National Bank  
P.O. Box 7889  
The Woodlands, TX 77387

#### **Other Acceptable Payment Methods:**

- Contact Woodforest Customer Care at **(877) 968-7962**
- Electronic Funds Transfer
- Money Order
- Other Instruments in U.S. dollars

**Late Payment Fees; Effect of Late Payment:** If we do not receive a payment from you for any given billing period in an amount at least equal to the Minimum Monthly Payment within ten (10) days (including Sundays and holidays) after the applicable payment due date (each a "Missed Payment"), you will be charged a late payment fee equal to the lesser of (i) five dollars (\$5.00), or (ii) five percent (5%) of the Minimum Monthly Payment that was not made or timely made. Such late payment fees will be assessed for each billing period during the Term in which a Missed Payment occurs. Notwithstanding anything in this Agreement to the contrary, upon the occurrence of a Missed Payment, you will no longer have the right to obtain credit advances under the revolving line of credit until you remit payment in full to us for such Missed Payment(s).

**Right of Offset:** To the extent permitted by applicable law, we reserve the right of offset in all of your accounts with us (whether checking, savings, or some other account but excluding IRAs or escrow accounts), including without limitation, all accounts you may open in the future.

**Term:** The revolving line of credit will begin as of the date we notify you that you have satisfied all of our eligibility and underwriting requirements and the revolving line of credit is made available to you (the "Effective Date"). Commencing on the Effective Date, you may obtain credit advances up to the amount of credit made available to you for a period of twenty-four (24) months, ending on the 21<sup>st</sup> day of the

24<sup>th</sup> month from the Effective Date, (the “Term”), unless this Agreement and/or the revolving line of credit is suspended or terminated by you or us prior to the expiration of the Term pursuant to the express terms hereof. Upon the expiration of the Term, you will no longer have the right to obtain credit advances under the revolving line of credit and you must repay all Indebtedness owing by you to us pursuant to the terms and conditions hereof.

**Suspension or Termination for Default:** If (i) you fail to comply with any term, condition, or provision of this Agreement, (ii) you do not make a payment when due or if we in good faith become doubtful of your ability to repay, (iii) any representation or statement made or furnished to the Bank by, or on behalf of, you under the Application and/or this Agreement is false or misleading in any material respect, either now or at the time made or furnished, (iv) you die, become insolvent, or file a petition in bankruptcy or similar proceedings or are adjudged bankrupt, (v) a receiver is appointed for you, your property or assets, (vi) this Agreement is terminated by us or you as expressly provided in this Agreement, or (vii) in the case of a Linked LOC, the Designated Account is, or becomes, subject to excessive monitoring or any offset(s), encumbrance(s), garnishment(s), and/or other lien(s) in favor of any person other than the Bank (each of the foregoing shall individually and collectively be referred to as a “Default”), then we may at any time thereafter either (in our sole and absolute discretion) (a) suspend your revolving line of credit (and its revolving features), or (b) terminate this Agreement and the revolving line of credit. If we elect to terminate this Agreement and your revolving line of credit, we may either (in our sole and absolute discretion) (a) require you to make monthly payments in an amount sufficient to repay all Indebtedness over a term to be determined by us, or (b) terminate the revolving line of credit, in which case the Indebtedness that you owe will be due immediately and payable in full. We may hire an attorney to help collect the Indebtedness subject of this Agreement if you do not pay when due, and you agree to pay all of our court costs and attorney’s fees assessed by a court. Notwithstanding anything in this Agreement to the contrary but subject to applicable law, we may terminate this Agreement or revoke your right to use your revolving line of credit, along with your right to future advances, at any time and for any or no reason including, without limitation, if you cease to maintain an active depository account relationship, in good standing, with the Bank.

**Termination by you:** To terminate the revolving line of credit prior to the expiration of the Term, you must send a written request to Woodforest National Bank, P.O. Box 7889, The Woodlands, TX 77387-7889 or visit your local branch and request termination in person. Despite termination, your obligations under this Agreement will remain in force and effect until you have paid us all amounts due under this Agreement. Notwithstanding the foregoing, any request by you to terminate this Agreement or the revolving line of credit will be effective only after we have had a reasonable opportunity to act on such request. Once terminated, you will be required to make payments under the terms of this Agreement.

**Effect of Termination:** The termination of this Agreement, whether initiated by us or you, will not affect any of our rights or your obligations under this Agreement, including without limitation, your obligation to repay any amounts you owe us according to the terms of this Agreement, and any amendments made to this Agreement, which have arisen before the effective date of the termination of this Agreement, even if we allow an advance to be processed or posted with your Designated Account after this Agreement has been terminated.

**Changes to this Agreement:** You agree that we may, in our sole discretion from time to time but subject to applicable law, change any of the terms, conditions, and/or provisions of, or add new terms, conditions, or provisions to, this Agreement relating to your revolving line of credit (including, without limitation, increasing any rate of **FINANCE CHARGE**, increasing or adding fees or charges (including annual fees), changing the method of computing balances subject to **FINANCE CHARGE**, changing your credit limit or changing the date upon which any **FINANCE CHARGES** begin to accrue) by giving notice to you in accordance with applicable law including in accordance with Section 303.103 of the Texas Finance Code. Subject to applicable law, any such changes will apply to your outstanding balance of the revolving line of credit on the effective date of the change and to any future balances created after that date. You will be deemed to accept all such changes accompanying the notice if you do not send us a notice to the contrary in a timely manner. In the event that you reject any changes to this Agreement, we may terminate this Agreement and your ability to make advances from the revolving line of credit and you will be obligated to repay us all Indebtedness as provided herein. No change to any term of this Agreement will affect your obligation to pay all Indebtedness owing under this Agreement.

You may request certain changes in the operation of this LOC, including change in order of advances, re-instatement of Privilege Pay, re-instatement of LOC after removal from the Take Charge Program, change between Manual and Linked LOC, or establishment of an automatic debit payment by requesting such change in writing at any Woodforest branch convenient for you.

**Waiver of Rights:** Except as may be prohibited by law or regulation, you agree to waive any right you may have for us to: act promptly in bringing any action(s) against you (known as diligence); demand payments of amounts due (known as presentment); notify you of the acceleration of any Indebtedness by us; obtain an official certification of non-payment (known as protest); and to give notice that amounts due will not be paid (known as notice of dishonor or notice of default and non-payment).

**Waiver of Jury Trial:** You waive a trial by jury of any or all issues arising in any action or proceeding between the parties hereto or their successors arising from or relating to this Agreement or any of its provisions.

**Delay in Enforcement:** Subject to applicable law, we may at any time and in our sole discretion delay or waive enforcing any of our rights or remedies under this Agreement or under applicable law without losing any of those or any other rights or remedies. Even if we do not enforce our rights or remedies at any one time, we may enforce them at a later date. For example, we may accept late payments or payments that are marked “payment in full” or with other restrictive endorsements without losing any of our rights under this Agreement.

**Severability:** If any provision of this Agreement is deemed to be void or unenforceable by a court of competent jurisdiction, any governmental agency, or an arbitrator, that provision will continue to be enforceable to the extent permitted by that court, agency, or arbitrator, and the remainder of that provision will no longer be considered as part of this Agreement. All other provisions of this Agreement will, however, remain in full force and effect.

**Governing Law:** This Agreement is entered into between you and us in the State of Texas, and your revolving line of credit and this Agreement, and any claim, dispute or controversy arising from or relating to your revolving line of credit or this Agreement, whether based in contract, tort, fraud or otherwise, is governed by, and construed in accordance with, the laws of the State of Texas and applicable federal laws and regulations, without regard to Texas' conflict of laws principles or your place of residence. The legality, enforceability and interpretation of this Agreement and the amounts contracted for under the Agreement also are governed by Texas law, specifically Chapter 346 of the Texas Finance Code, and all amounts granted under this Agreement are extended from the State of Texas.

**IT IS NOT THE INTENTION OF THE PARTIES THAT ANYTHING IN THIS AGREEMENT SHOULD RESULT IN THE ASSESSMENT OF INTEREST, FEES OR CHARGES IN EXCESS OF THOSE PERMITTED BY APPLICABLE LAW. IF ANY INTEREST, FEE OR CHARGE ASSESSED UNDER THIS AGREEMENT IS FINALLY DETERMINED TO BE IN EXCESS OF THAT PERMITTED BY APPLICABLE LAW, THE EXCESS AMOUNT WILL BE APPLIED TO REDUCE THE OUTSTANDING BALANCE IN YOUR ACCOUNT OR, IF THERE IS NO OUTSTANDING BALANCE, WILL BE REFUNDED TO YOU.** Under no circumstances (and notwithstanding anything in this Agreement to the contrary) shall the interest charged, collected, or contracted for in connection with the loan evidenced hereby exceed the Maximum Rate (as defined herein). The term "Maximum Rate" shall mean the maximum rate of interest which maybe contracted for, charged, taken, received or reserved by Bank in accordance with the applicable laws of the State of Texas (or applicable United States federal law to the extent that such law permits Bank to contract for, charge, take, receive or reserve a greater amount of interest than under Texas law), taking into account all Charges (as defined below) made in connection with the loan evidenced by this Agreement. The interest rate under this Agreement has been implemented under the "Weekly Ceiling" as referred to in Sections 303.002 and 303.003 of the Texas Finance Code. As used hereunder, the term "Charges" shall mean all fees, charges and/or any other things of value, if any, contracted for, charged, taken, received or reserved by Bank in connection with the transactions relating to this revolving line of credit, the Agreement, and any related documentation that evidences or comprises the loan subject of this Agreement, which are treated as interest under applicable law. Borrower does not agree or intend to pay, and Bank does not intend to contract for, charge, collect, take, reserve or receive, any amount in the nature of interest or in the nature of a fee for the loan evidenced by this Agreement, which would in any way or event (including demand, prepayment, or acceleration) cause Bank to contract for, charge, collect, take, reserve or receive more than the maximum Bank would be permitted to contract for, charge, collect, take, reserve or receive by federal law or the law of the State of Texas (as applicable). All sums paid or agreed to be paid to Bank for the use, forbearance or detention of sums due hereunder shall, to the extent permitted by applicable law, be amortized, prorated allocated and spread throughout the full Term of the loan evidenced by this Agreement until payment in full so that the rate or amount of interest on account of the loan evidenced hereby does not exceed the applicable usury ceiling.

**Entire Agreement:** You acknowledge that this Agreement (including the Application and any written approval notification we provide to you in which we disclose the amount of credit we agree to extend to you), as expressly amended by us in writing from time to time, is the entire agreement between you and us relating to the revolving line of credit and the subject matter hereof and supersedes, and may not be contradicted by, evidence of any prior or contemporaneous written or oral communications and understandings between you and us concerning this Agreement or the revolving line of credit, except pursuant to such written amendments to the Agreement issued by us from time to time. **You agree to accept an electronic duplicate or digital image of the Application and this Agreement as a true and correct original and admissible as best evidence to the extent permitted by applicable law, or a court or arbitrator with proper jurisdiction. You hereby waive any and all rights to claim, for any and all purposes whatsoever, that electronic copies or imaged copies of Application and this Agreement are not originals thereof.** Notwithstanding the foregoing, you acknowledge that except as provided herein, nothing in this Agreement is intended to supersede, amend, replace, or contradict any terms, conditions, and/or provisions applicable to (i) the Designated Account, or (ii) any other written agreement between you and us, whether now existing or hereafter arising.

**NOTICE OF NO ORAL AGREEMENTS. THIS WRITTEN LOAN AGREEMENT REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.**

**Miscellaneous:** You may not sell, assign or transfer any rights and/or obligations under the revolving line of credit, or any of your rights and/or obligations under this Agreement, and any such action by you shall be void *ab initio*. We may, however, sell, assign or transfer your account, the revolving line of credit, this Agreement, and/or any balance due thereunder, and our rights and obligations under this Agreement to another bank, company, or person without prior notice to, or consent by, you, which notice or consent is hereby waived. That transferee or assignee will take our place in this Agreement.

#### **ARBITRATION PROVISION**

**Arbitration:** As used solely in this provision (Arbitration), the terms "we" and "us" will for all purposes mean the Bank and its successors and assigns, and their respective independent contractors, agents, employees, directors, officers, and representatives.

You and we each agree that any Claim (as defined below) that you or we elect to be arbitrated through binding arbitration under this provision will be arbitrated instead of litigated in court under the circumstances and procedures set forth below, even if a lawsuit has already been initiated with respect to that Claim or a related or different Claim. The term "Claim" (a) means any claim, dispute or controversy between you and us arising from or relating to the revolving line of credit, the Indebtedness, this Agreement, any prior related agreement that you may have had with us, and the validity, enforceability or scope of this provision, and (b) includes claims of every kind and nature, including but not limited to initial claims, counterclaims, cross-claims and third-party claims and claims based upon contract, tort, fraud and other intentional torts, statute, common law and equity. The term Claim is to be given the broadest possible meaning and includes, by way of example and without limitation, any claim, dispute or controversy that arises from or relates to (i) the revolving line of credit subject of the Agreement or any prior agreement or any balances on the revolving line of credit, (ii) advertisements, promotions or oral or written statements related to the revolving line of credit or the terms of financing and (iii) your use of the revolving line of credit.

Upon the election by you or us of arbitration, any Claim(s) will be resolved pursuant to this arbitration provision and the applicable consumer rules and procedures (collectively, the "Rules and Procedures") of the American Arbitration Association ("AAA"), who shall

serve as the arbitration administrator, in effect at the time the Claim(s) is/are filed. If for any reason the AAA is unable or unwilling, or ceases, to serve as arbitration administrator, another nationally recognized arbitration organization utilizing similar rules and procedures will be substituted by us. With respect to any Claims covered by this provision for which neither party has elected arbitration for a particular Claim, a party who has asserted a Claim in a lawsuit in court may still elect arbitration with respect to any Claim subsequently asserted in that lawsuit by any other party or parties. You may obtain copies of the current rules, forms, and instructions for initiating an arbitration with the AAA by contacting the AAA as follows: on the web at [www.adr.org](http://www.adr.org) or by writing to AAA at 1633 Broadway, 10th Floor, New York, NY 10019. This provision expressly delegates all decisions regarding the enforceability (including, but not limited to, challenges based on unconscionability, public policy, vindication of rights, or otherwise) to the arbitrator.

IF ARBITRATION IS CHOSEN BY ANY PARTY WITH RESPECT TO ANY CLAIM, NEITHER YOU NOR WE WILL HAVE THE RIGHT TO LITIGATE THAT CLAIM IN COURT OR HAVE A JURY TRIAL ON THAT CLAIM, OR TO ENGAGE IN PRE-ARBITRATION DISCOVERY EXCEPT AS PROVIDED FOR IN THE RULES AND PROCEDURES OF THE AAA. **FURTHER, YOU WILL NOT HAVE THE RIGHT TO PARTICIPATE AS A REPRESENTATIVE OR MEMBER OF ANY CLASS OF CLAIMANTS PERTAINING TO ANY CLAIM SUBJECT TO ARBITRATION.** EXCEPT AS SET FORTH BELOW, THE ARBITRATOR'S DECISION WILL BE FINAL AND BINDING. NOTE THAT OTHER RIGHTS THAT YOU WOULD HAVE IF YOU WENT TO COURT MAY ALSO NOT BE AVAILABLE IN ARBITRATION.

Notwithstanding anything in this Agreement to the contrary, you and we agree not to invoke the right to arbitrate any Claims you or we bring in small claims court or an equivalent court so long as such Claim(s) is/are pending only in that court and brought and maintained only on an individual basis by you or us. Moreover, this arbitration provision does not limit or constrain our right to interplead funds in the event of claims by several parties.

**There will be no authority for any Claims to be arbitrated on a class action basis.** Any arbitration hearing that you attend will take place in the county or federal judicial district in which you reside, or by telephone, or at such other reasonably convenient location as agreed by the parties. At your written request, we will temporarily advance up to \$500 towards the filing, administrative and/or hearing fees for any Claim that you may file against us after you have paid an amount equivalent to the fee, if any, for filing such a Claim in state or federal court (whichever is less) in the judicial district in which you reside. At the conclusion of the arbitration, the arbitrator will decide who will ultimately be responsible for paying the filing, administrative and/or hearing fees in connection with the arbitration. Furthermore, at the conclusion of the arbitration, the prevailing party shall recover its reasonable attorney's fees, costs and expert witness fees from the non-prevailing party; provided, that in the event that we are the prevailing party, we agree not to seek such an award or claim such fees unless (i) the substance of your Claims or the relief sought by you is deemed by the arbitrator to be frivolous or brought for an improper purpose (as measured by the standards set forth in Federal Rule of Civil Procedure 11(b)), and/or (ii) the aggregate amount of your Claims in the arbitration exceeded \$75,000.00.

This provision is made pursuant to a transaction involving interstate commerce and will be governed by the Federal Arbitration Act ("FAA"), 9 U.S.C. §§ 1 et seq., as amended. The arbitrator will apply applicable substantive law consistent with the FAA and applicable statutes of limitations and will honor claims of privilege recognized at law. The arbitrator shall be empowered to grant whatever relief would be available in court under law or in equity. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction. The arbitrator's decision will be final and binding, except for any right of appeal provided by the FAA and except that, if the amount in controversy exceeds \$100,000, any party can appeal the award to a three-arbitrator panel administered by the AAA, which will reconsider *de novo* any aspect of the initial award requested by the appealing party. The decision of the panel will be by majority vote. The costs of such an appeal will be borne by the appealing party regardless of the outcome of the appeal.

This provision will survive termination of the revolving line of credit and/or this Agreement, as well as the repayment of all outstanding amounts incurred in connection with this Agreement. If any portion of this provision is deemed invalid or unenforceable under any law or statute consistent with the FAA, it will not invalidate the remaining portions of this arbitration provision or the Agreement; provided, however, if the limitations on class actions are struck in a proceeding brought on a class basis, without impairing the right to appeal such decision, this entire arbitration provision (other than this proviso) shall be null and void in such proceeding. In the event of a conflict or inconsistency between the Rules and Procedures of the AAA and this arbitration provision, this provision will govern. If a third party seeks to, or a court allows a third party to, represent either party on a class basis with respect to any Claims, either party shall continue to have the right to enforce individual arbitration of those Claims under this Agreement.



## **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 to us at:

WOODFOREST NATIONAL BANK  
Loan Operations  
P.O. BOX 7889  
The Woodlands, TX 77387-7889

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.

#### **Ohio Equal Credit Opportunity Notice: (Ohio Only)**

The Ohio law against discrimination requires that all creditors make credit equally available to all creditworthy customers, and that credit reporting agencies maintain separate credit histories on each individual request. The Ohio Civil Rights Commission administers compliance with this law.

**New York Residents (Only):** Borrower understands and agrees that Lender may obtain a consumer credit report in connection with this application and in connection with any update or renewals for extension of any credit as a result of this application. If Borrower asks, Borrower will be informed whether or not such a report was obtained, and if so, the name and address of the agency that furnished the report. Borrower also understands and agrees that Lender may obtain a consumer credit report in connection with the review or collection of any loan made to Borrower as a result of this application or for other legitimate purposes related to such loans.