

Chapter 5:

Business Loan Receipt

The Business Loan Receipt document contains specific terms and conditions applicable to the individual loan transaction. It differs from the Business Credit Agreement Rider in that it documents the specific terms and conditions applicable to each loan transaction subject to the BCCSA while the Business Credit Agreement Rider amends the BCCSA for all loan transactions. The Business Loan Receipt is specific to the loan or credit advance and not the loan plan.


Document Description

When used:	This document is used for each loan transaction. The Business Loan Receipt is used with the BCCSA and the optional Business Credit Agreement Rider to specify the terms and conditions of the transaction.
Purpose:	The purpose of the Business Loan Receipt is to document the specific terms and conditions applicable to each loan transaction.
Document number:	VXB08*
How distributed:	Signature(s) is/are required on this document.
Imprinting:	This document allows an imprint of your credit union's name, address, phone number and logo. If the imprinting option is not selected, be sure to add your credit union name while processing the document.
Number of pages	Two
State specific versions:	None

*Indicates placeholder for version number

Page one sample

Use the numbers provided to locate the corresponding instructions on the next page.



Business Loan Receipt

The terms and conditions of this Business Loan Receipt supplements and/or amends the terms and conditions of the Business Credit and Continuing Security Agreement. To the extent that any term or condition is inconsistent with the Business Credit and Continuing Security Agreement, the terms and conditions of this document shall govern. The use by the borrower of the credit rights documented herein constitutes acceptance of these terms and conditions.

BORROWER INFORMATION

BORROWER NAME	MEMBER/ACCOUNT NUMBER	DATE
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AMOUNTS ADVANCED AND INTEREST TERMS

DAILY PERIODIC RATE	INTEREST RATE	TYPE	NEW BALANCE
	%	<input checked="" type="checkbox"/> FIXED <input type="checkbox"/> VARIABLE	\$
AMOUNT ADVANCED	LINE OF CREDIT LIMIT		REMAINING LIMIT
\$	\$		\$

☐ **Obligatory Advances** - If checked, we are obliged to advance funds up to the available credit limit on loans with a credit limit unless you or any guarantor is in default under any agreement with us.

☐ **Revolving Loan** - As amounts are repaid they may be re-borrowed, if permitted by the credit union, until the Credit Limit is reached.

The interest rate for your loan will vary as follows:

We may change the interest rate of any fixed rate Loan with an established credit limit after giving you ____ days (if not completed, ninety (90) days shall apply) advance written notice. Any change to the interest rate charged for a Loan with an established credit limit will apply to future advances and at our discretion and subject to any requirements of applicable law, will also apply to unpaid balances.

REPAYMENT TERMS

This Loan must be repaid as follows:

☐ **Notice to Borrower:** This is a demand note and so may be collected by the Lender

☐ at any time
☐ other (describe) _____.

A new note mutually agreed upon and subsequently issued may carry a higher or lower rate of interest.

FEES AND ADDITIONAL TERMS AND CONDITIONS

This Loan shall be governed by and construed in accordance with the laws of the state of _____

DESCRIPTION OF COLLATERAL

AS A CONDITION FOR THIS LOAN, THIS LOAN AND THE BUSINESS CREDIT AND CONTINUING SECURITY AGREEMENT WHICH IT IS SUBJECT TO, ARE SECURED BY YOUR SHARES, ALL PROPERTY SECURING OTHER LOANS RECEIVED IN THE PAST OR IN THE FUTURE, AND THE PROPERTY DESCRIBED ON PAGE 2.

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VXB002 (LASER)

1. Read disbursement disclosure
2. Record borrower information
3. Enter amounts and terms
4. Enter repayment terms
5. Enter fees and additional terms and conditions

Page one instructions

Instructions are given for each section of the document. Please refer to the corresponding number on the sample document to determine each section's relative position on the document.

1. **Read disbursement disclosure.** This section explains how the Business Loan Receipt governs the terms and conditions of this specific loan transaction. It explains that the Business Loan Receipt may supplement or amend the terms and conditions of the BCCSA. It also clarifies that if inconsistencies exist between the documents, the Business Loan Receipt will govern the transaction.
2. **Record borrower information.** This section collects the following borrower information:
 - Names of each borrower
 - Member/Account number
 - Date of the loan transaction
3. **Enter amounts and terms.** This section records the following about each loan:
 - Amount advanced
 - New loan balance
 - Line of credit limit with remaining limit (If the loan is a line of credit)
 - Obligatory advance indicator (If checked, indicates that the credit union will advance credit up to the credit limit if not in default under the agreement. Unless this area is marked, advances on a line of credit are discretionary. If the credit union is willing to be obligated to make advances on a line of credit, this box may be checked.)
 - Variable interest rate (If the interest rate is variable the credit union must include detailed information about how the interest rate may change.)
4. **Enter repayment terms.** This section provides a place to record how the specific loan will be repaid. (The demand date is optional. It is only necessary if the credit union wants to have the option of calling a loan due before its maturity date.) This space must be completed with detailed information about repayment terms including payment amounts and due dates.
5. **Enter fees and additional terms and conditions.** This section provides a place to record any fees or additional terms and conditions that will be applied against this specific loan. Enter the name of the state that will be used for governing the loan. For governing law language consult your attorney for advice.

Page two sample

Use the numbers provided to locate the corresponding instructions on the next page.

Specific Pledge of Share/Deposits (in addition to the statutory lien referenced in the body of the Business Credit and Continuing Security Agreement):

PLEDGE OF SHARES AND/OR DEPOSITS \$	ACCOUNT NUMBER	PLEDGE OF SHARES AND/OR DEPOSITS \$	ACCOUNT NUMBER
<p>Option 1: Unless items below are checked, a security interest is granted in all assets of the Borrower(s), excepting Borrower's principal residence, but including all accounts (including health care receivables), instruments, documents, deposit accounts, inventory, machinery, equipment, fixtures, chattel paper and general intangibles including letter-of-credit rights.</p> <p>Option 2: The security interest(s) granted by the borrower will be limited to the checked items:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 48%;"> <input type="checkbox"/> All Inventory <input type="checkbox"/> All General Intangibles <input type="checkbox"/> All Instruments <input type="checkbox"/> All Letter-of-Credit Rights <input type="checkbox"/> All Deposit Accounts <input type="checkbox"/> Vehicle Year _____ Make _____ Model _____ VIN # _____ </div> <div style="width: 48%;"> <input type="checkbox"/> All Chattel Paper <input type="checkbox"/> All Accounts <input type="checkbox"/> All Documents <input type="checkbox"/> All Equipment <input type="checkbox"/> All Fixtures located at _____ _____ _____ _____ </div> </div> <input type="checkbox"/> Other collateral description _____ _____ _____			

Option 3:
☐ No additional collateral - any existing collateral previously granted by other security agreements covering future obligations remains effective (no other box may be checked if this box is checked)

The security interests described above include all of the indicated property now owned or hereafter acquired and all accessions, additions, replacements and proceeds, as described in more detail in the body of the Business Credit and Continuing Security Agreement.

SIGNATURES

If an Entity (Form of Organization)

Borrower _____
 Form of Organization (if applicable) _____

Borrower _____
 Form of Organization (if applicable) _____

Agreed to by or on behalf of above Borrower(s):

By: X _____ (Seal)
 Printed Name: _____
 Title: _____ Date: _____

By: X _____ (Seal)
 Printed Name: _____
 Title: _____ Date: _____

CONCURRENCE OF NON-BORROWING SPOUSE - FOR LOUISIANA SOLE PROPRIETORSHIPS: In accordance with Louisiana Civil Code Article 2347, the borrower's spouse signing below concurs with the granting of a security interest in the community property and assets subject to this Agreement and other related documents to secure the present and future indebtedness and obligations as described in Section 11 of the Business Credit and Continuing Security Agreement.

By: X _____
 Printed Name: _____
 Date: _____

FOR CREDIT UNION USE ONLY Employee initials: _____ Date mailed or delivered: _____

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6. Enter collateral description

7. Record borrower(s) signature(s)

8. Reserved for credit union use

Page two instructions

Instructions are given for each section of the document. Please refer to the corresponding number on the sample document to determine each section's relative position on the document.

6. **Enter collateral description.** This section specifies the type of collateral included with this specific transaction:
 - Enter any specific pledge of share/deposits (Enter the amount pledged and the account number)
 - Three options are provided to describe collateral that will be granted with this loan transaction.
 - Option 1: Security interest is granted in all assets of the borrower except the borrower's principal residence. This option is selected as a default if option 2 or 3 are not selected
 - Option 2: Security interest granted by the borrower will be determined by checking specific collateral items. If any item (checkbox) for option 2 is checked, the selection will be option 2
 - Option 3: No additional collateral will be granted for this loan. If this checkbox is checked, the selection will be option 3. (Note If checked, no other checkbox should be checked.)
7. **Record borrower(s) signature(s).** This section provides a place to collect signatures for an individual or an entity. Note that signatures must be collected from each borrower listed under the BCCSA.
 - If the borrower is an entity, complete the left side of this section by recording the name of the entity, borrower's name, title, printed name and date.
 - If the borrower is an individual, complete the right side of this section by recording the printed name, signature and date.
8. **Reserved for credit union use.** This section is for the credit union to use to track document processing.
9. **Concurrence of Non-Borrowing Spouse – for Louisiana Sole Proprietorships.** Louisiana Article 2347 contains an exception to Louisiana community property laws. When a Louisiana married borrower is a sole proprietor and the security interest affects all or substantially all of the business's assets, the non-borrowing spouse is required by signature to concur or agree with the borrowing spouse's granting of a security interest. The line provides a place to record the signature of the spouse, the printing of the spouse's name and the date.