

SECURITY AGREEMENT

In this agreement all references to "credit union" mean the credit union whose name appears on this agreement and anyone to whom the credit union assigns the LOANLINER Credit Agreement. All references to "the advance" mean the amount in the box labeled "New Balance". All references to "you" mean each person who signs this agreement.

If you cancel your insurance and get a refund, the credit union has a right to the refund. If the property is lost or damaged, the credit union can use the insurance settlement to repair the property or apply it towards what you owe. You authorize the credit union to indorse any draft or check which may be payable to you in order for the credit union to collect any refund or benefits due under your insurance policy.

THE SECURITY FOR THE LOAN -- By signing this security agreement in the signature area or under the statement referring to this agreement which is on the back of the check you receive for the advance, you give the credit union what is known as a security interest in the property described in the "Security Offered" section. The security interest you give includes all accessions. Accessions are things which are attached to or installed in the property now or in the future. The security interest also includes any replacements for the property which you buy within 10 days of the advance or any extensions, renewals or refinancing of the advance. It also includes any money you receive from selling the property or from insurance you have on the property. If the value of the property declines, you promise to give the credit union more property as security if asked to do so.

If you do not pay the taxes or fees on the property when due or keep it insured, the credit union may pay these obligations, but is not required to do so. Any money the credit union spends for taxes, fees or insurance will be added to the unpaid balance of the advance and you will pay interest on those amounts at the same rate you agreed to pay on the advance. If the credit union adds amounts for taxes, fees, or insurance to the unpaid balance of your advance, your payments may be increased by the amount necessary for the advance to be paid off in the same number of months originally scheduled.

WHAT THE SECURITY INTEREST COVERS --The security interest secures the advance and any extensions, renewals or refinancings of the advance. It also secures any other advances you have now or receive in the future under the LOANLINER Credit Agreement, any other loans you have with the credit union, including any credit card loan, and any other amounts you owe the credit union for any reason now or in the future, except any loan secured by your principal residence. If the property description is marked with two stars (**), or the property is household goods as defined by the Credit Practice Rule, the property will secure only the advance and not other amounts you owe.

DEFAULT -- You will be in default if you break any promise you make under this agreement. You will also be in default if you are in default under the LOANLINER Credit Agreement. If you are pledging property, but have not signed the LOANLINER Credit Agreement, you will be in default if anyone is in default who has signed the LOANLINER Credit Agreement.

OWNERSHIP OF THE PROPERTY -- You promise that you own the property, or if this advance is to buy the property, you promise you will use the advance for that purpose. You promise that no one else has any interest in or claim against the property that you have not already told the credit union about. You promise not to sell or lease the property or to use it as security for a loan with another creditor until the advance is repaid. You promise you will allow no security interest or lien to attach to the property either by your actions or by operation of law.

WHAT HAPPENS IF YOU ARE IN DEFAULT -- When you are in default, the credit union can, without advance notice to you, require immediate payment of your outstanding loan balance under the LOANLINER Credit Agreement and take possession of the property. You agree the credit union has the right to take possession of the property without going to court and without giving you advance notice. If you are asked to do so by the credit union, you promise to deliver the property at a time and place the credit union chooses. The credit union will not be responsible for any of your other property, not covered by this agreement, that you leave inside the property. The credit union will try to return that property to you or make it available for you to claim.

PROTECTING THE SECURITY INTEREST -- If your state issues a title for the property, you promise to have the credit union's security interest shown on the title. The credit union may have to file what is called a financing statement to protect its security interest from the claims of others. If asked to do so, you promise to sign a financing statement. You also promise to do whatever else the credit union thinks is necessary to protect its security interest in the property.

After the credit union has possession of the property, it can sell it and apply the money received to any amounts you owe the credit union. The credit union will give you notice of any public sale or the date after which a private sale will be held. The expenses of the credit union for taking possession of and selling the property will be deducted from the money received from the sale. Those costs may include the cost of storing the property, preparing it for sale and attorney's fees to the extent permitted under state law or awarded under Section 506(b) of the Bankruptcy Code. The rest of the sale money will be applied to what you owe under the LOANLINER Credit Agreement.

USE OF PROPERTY -- Until the advance has been paid off, you promise you will: (1) Use the property carefully and keep it in good repair. (2) Obtain written permission from the credit union before making major changes to the property. (3) Inform the credit union in writing before changing your address or the address where the property is kept. (4) Allow the credit union to inspect the property. (5) Promptly notify the credit union if the property is damaged, stolen or abused. (6) Not use the property for any unlawful purpose.

If you have agreed to pay the advance, you will also have to pay any amount that remains unpaid after the sale money has been applied to the unpaid balance of the advance and to what you owe under this agreement. You agree to pay interest on that amount at the same rate as the advance until that amount has been paid.

PROPERTY INSURANCE, TAXES AND FEES -- You promise to pay all taxes and fees (like registration fees) due on the property and to keep the property insured against loss and damage. The amount and coverage of the property insurance must be acceptable to the credit union. You may provide the property insurance through a policy you already have, or through a policy you get and pay for. You promise to make the insurance policy payable to the credit union and to deliver the policy or proof of coverage to the credit union if asked to do so.

DELAY IN ENFORCING RIGHTS AND CHANGES IN THE AGREEMENT -- The credit union can delay enforcing any of its rights under this agreement any number of times without losing the ability to exercise its rights later. The credit union can enforce this agreement against your heirs or legal representatives. If the credit union changes the terms of the LOANLINER Credit Agreement, you agree that this agreement will continue to protect the credit union.

CONTINUED EFFECTIVENESS -- If any part of this agreement is determined by a court to be unenforceable, the rest will remain in effect.

**FOR TENNESSEE CREDIT UNIONS ONLY --
USE WHEN AUTOMOBILE IS PURCHASED**

**FOR NORTH DAKOTA CREDIT UNIONS ONLY -- APPLIES
ONLY WHEN A MOTOR VEHICLE IS PURCHASED**

NOTICE: If you do not purchase the insurance required on the automobile and the credit union purchases the insurance, the insurance purchased by the credit union will cover only the credit union's interest in the property. The insurance will not be liability insurance. You have read the above statement and acknowledge that the credit union has explained it to you.

NOTICE: THE MOTOR VEHICLE IN THIS TRANSACTION MAY BE SUBJECT TO REPOSSESSION. IF IT IS REPOSSESSED AND SOLD TO SOMEONE ELSE, AND ALL AMOUNTS DUE TO THE SECURED PARTY ARE NOT RECEIVED IN THAT SALE, YOU MAY HAVE TO PAY THE DIFFERENCE.

SIGNATURE _____ DATE _____
 X _____
 SIGNATURE _____ DATE _____
 X _____

**THE PROPERTY DESCRIPTION ON PAGE 1
IS PART OF THIS AGREEMENT.
NOTICE: SIGN THIS AGREEMENT ON PAGE 1.**