

Military Lending Act Disclosure & Addendum: ACTIVE MILITARY MEMBERS AND THEIR DEPENDENTS	Aloha Pacific Federal Credit Union 832 South Hotel St Honolulu, HI 96813
<p>IMPORTANT: These Terms Govern and Replace any Contrary Terms in any other Agreements you have with the Credit Union IF (a) at the time your loan is made, you are an active member of the military or you are a dependent of an active member of the military (as those terms are defined in the Military Lending Act, 10 U.S.C. 987 and its implementing regulations); and (b) your loan is unsecured or secured by personal property that you did not purchase with the proceeds of the loan. Such loans shall be called “Covered Loans.”</p>	
<p>A. Military Lending Act Disclosure: Federal law provides important protections to members of the Armed Forces and their dependents relating to extensions of consumer credit. In general, the cost of consumer credit to a member of the Armed Forces and his or her dependent may not exceed an annual percentage rate of 36 percent. This rate must include, as applicable to the credit transaction or account: costs associated with credit insurance premiums; fees for ancillary products sold in connection with the credit transaction; any application fee charged (other than certain application fees for specified credit transactions or accounts); and any participation fee charged (other than certain participation fees for a credit card account).”</p>	
<p>Military Annual Percentage Rate (MAPR)* The MAPR does not exceed 36% using DOD rules. For your loan APR see your Note and Disclosures.</p>	<p>Payment Obligation: You are required to make all payment pursuant to the terms set forth in your other loan agreements and disclosures which are incorporated herein by reference.</p>
<p>*The MAPR is calculated pursuant to a separate set of rules adopted by the Department of Defense. These rules are not the same as the rules for calculating the Annual Percentage Rate (APR) for consumer loans under the Truth in Lending Act and Regulation Z. The MAPR includes certain fees and charges excluded under the Truth in Lending Act. The MAPR is governed by 32 CFR §232 whereas the APR is governed by 12 CFR §1026.</p>	
<p>B. Addendum to All Other Agreements & Disclosures with the Credit Union: In addition, the parties agree to the following terms and conditions. If you or any dependents are expressly covered and entitled to the protections provided by the Military Lending Act then the following applies:</p> <p>Lien on Accounts and Cross-Collateralization: This loan or advance will not be secured by a consensual lien on shares or deposits in any of your accounts unless you specifically agree to establish an account in connection with this loan or advance. (“Share Secured Account”). Only funds deposited into the Share Secured Account after the loan or advance is made will secure this loan or advance. Any cross-collateralization provision contained in your loan or membership documents will not apply to this loan or the Share Secured Account. Exception: However, with regard to this loan, we still reserve our statutory lien rights and any resulting rights to set-off or place an administrative freeze under federal or state law, which gives us the right to apply the sums in the Share Secured Account or any other account(s) you have with us to satisfy your obligations under this loan or advance. Any contract terms in your loan, security, or membership agreements that contradict the above with regard to this loan are hereby void with regard to Covered Loans.</p> <p>Arbitration: This loan is not subject to mandatory arbitration and therefore any contract terms in your loan, security, or membership agreements that contradict the above with regard to this loan are hereby void with regard to Covered Loans.</p>	
Borrower One:	Borrower Two:
Date:	Date: