

# STATEMENT OF UNDERSTANDING



## COAST GUARD EMPLOYEES CREDIT UNION

HALE BOGGS FEDERAL BUILDING  
500 POYDRAS STREET ROOM 1226  
NEW ORLEANS, LA 70130-3396

(504) 671-2287  
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1 January 2011

Web: [www.coastguardecu.net](http://www.coastguardecu.net) E-Mail: [cgecu@coastguardecu.net](mailto:cgecu@coastguardecu.net) All previous forms are not valid

### Initial next to each statement that applies, put a N/A if it does not apply to you.

- \_\_\_\_\_ I certify that I am NOT requesting early release from active duty in accordance with any early release program.
- \_\_\_\_\_ I understand that if I am separated from the Coast Guard for any reason, that my debt with the Credit Union is a legal debt and must be repaid as agreed in the promissory note.
- \_\_\_\_\_ If I retire from the Coast Guard and have a loan balance owing I will carry my allotment forward for repayment of the loan and the payment will be deducted from my retired pay.

### The Below Statements must be initialed by all applicants

- \_\_\_\_\_ I will keep the Credit Union advised of any mailing address changes and keep my mailing address current. I further understand that a quarterly fee of \$10.00 will be charged to my account if I do not have a current mailing address with the Credit Union
- \_\_\_\_\_ I understand that if I default on the loan, that my account will be turned over for legal and/or collection action and that 25% of the outstanding principal and interest will be added to my loan balance for legal fees, court costs and collection expenses.
- \_\_\_\_\_ I understand that any delinquencies on loan repayments and defaults are automatically reported to the Credit Bureau and will adversely affect my credit rating.
- \_\_\_\_\_ I understand that the Internal Revenue Service (IRS) can be notified of any discharges of indebtedness in accordance with the Internal Revenue Code and I will be required to pay federal income tax on that amount.
- \_\_\_\_\_ If for any reason I file for bankruptcy, I will list the Coast Guard Employees Credit Union outside the plan and continue to repay the loan as agreed in the promissory note. I understand that I must contact the Credit Union and request a Reaffirmation Agreement.
- \_\_\_\_\_ I understand that if I cost the Coast Guard Employees Credit Union a loss that my membership will be suspended until such time that the loss is paid in full and that I must request a reinstatement of my membership to the Board of Directors. Only after the BOD has approved such request will my membership be restored.
- \_\_\_\_\_ I understand that default is defined as the non-payment of two (2) consecutive payments on the due date or, in the case of payments due more frequently than once per month, default is defined as non-payment for a period of sixty (60) days.
- \_\_\_\_\_ I understand that Louisiana Law permits repossession of motor vehicles without judicial process.
- \_\_\_\_\_ I understand that the Credit Union imposes a Late Payment Fee if the payment on my loan is greater than ten (10) days delinquent at 5% of the past due amount, not to exceed \$35.00 per payment. Further that any cost incurred by the Credit Union for notification that my account is greater than 30 days delinquent will be accessed once per month to my account.

I \_\_\_\_\_ do hereby certify that all statements initialed above are

Printed name of applicant

fully understood and that I am agreeing to each statement with my signature below.

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

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