

**NCUA CENTRAL LIQUIDITY FACILITY REPAYMENT, SECURITY AND CREDIT REPORTING AGREEMENT
(Agent Group Representative)**

(Corporate Credit Union Name)

Charter /Insurance Certificate Number

City

State

PARTIES

(1) **Effective date; representative capacity .** This agreement is between the National Credit Union Central Liquidity Facility (hereinafter "the Facility") and a corporate credit union (hereinafter "the Agent Group Representative"). The Agent Group Representative is one of the corporate credit unions in a group of corporate credit unions (hereinafter "the Agent Group") which is a member of the Facility. The Agent Group Representative has been designated as the Agent Group Representative by the other corporate credit unions in the Agent Group. In their applications for membership in the Facility as part of the Agent Group, the corporate credit unions in the Agent Group have authorized the Agent Group Representative to transact business with the Facility on behalf of the Agent Group or any corporate credit union in the Agent Group. This agreement becomes effective when signed by the Agent Group Representative and the Facility. This agreement shall remain in effect as long as the Agent Group is a member of the Facility or there is any unpaid repayment obligation created hereunder between the Agent Group Representative and the Facility.

(2) **Facility rules and regulations, etc.** All advances of Facility funds to the Agent Group Representative are subject to this agreement and to all applicable terms and conditions in the National Credit Union Central Liquidity Facility Act, rules and regulations prescribed by the NCUA Board on behalf of the Facility, and operating circulars issued by the Facility, including all amendments and supplements thereto. The Agent Group Representative shall perform each of the obligations imposed on it by any such term or condition.

REPAYMENT

(3) **Confirmation.** In connection with each advance of Facility funds to the Agent Group Representative, the Facility shall issue a confirmation of credit (hereinafter the "confirmation") which shall be sent to the Agent Group Representative. The confirmation may be issued before or after the date of the advance and shall be in such form and sent in such manner as may be determined by the Facility. The confirmation shall specify:

- (i) the date of the advance;
- (ii) the amount of the advance;
- (iii) the interest rate;
- (iv) the principal repayment date or dates, if any;
- (v) the principal amount due on each such

principal repayment date (excluding interest);

- (vi) the interest payment date or dates, if any;
- (vii) the maturity date;
- (viii) the pending and outstanding loans from the corporate credit unions in the Agent Group to their member natural person credit unions which are the basis for the Facility advance (hereinafter "Agent loans"), including the principal amount or principal balance of each such loan the name of the natural person credit union which has applied for or received the loan, and the type or types of liquidity needs that are being met by the loan (i.e.. short-term adjustment , seasonal credit, or protracted adjustment credit); and
- (ix) the loans from the Agent Group Representative to corporate credit unions in the Agent Group which are the basis for the Facility advance (hereinafter "Agent Group Representative Loans"), including the principal amount or principal balance of each such loan and the name of the corporate credit union to which the loan is made. ¹

The confirmation may also specify the method of payment that must be used by the Agent Group Representative to pay the Facility on each principal repayment date, each interest payment date, and the maturity date. A confirmation may be combined with other information, including other confirmations, in a listing or other form of communication. More than one advance of Facility funds may be included, with or without other funds, in a single transfer of funds from the Facility to the Agent Group Representative. The principal repayment dates, the principal amount due on each such principal repayment date, and the interest payment dates may be specified in the confirmation by reference to other dates or amounts. ²

¹ An advance of Facility funds may be based on a single pending or outstanding loan to a member natural person credit union and a single loan from the Agent Group Representative to a corporate credit union. A pending or outstanding loan to a member natural person credit union becomes an "Agent loan", and a loan from the Agent Group Representative to a corporate credit union becomes an "Agent Group Representative Loan", as those terms are used herein, when the Agent Group Representative receives a Facility advance which is based in full or in part on such loans. The loans cease to be an Agent loan and an Agent Group Representative loan, as those terms are used herein, when the repayment obligation created hereunder by the advance is paid in full to the Facility.

² For example, a confirmation may specify dates and amounts as follows: "principal repayment dates" are ten business days after each date on which any corporate credit union in the Agent Group receives one or more principal payments on Agent loans listed in the confirmation; the "principal amount due on

(4) **Repayment obligation.** When the Agent Group Representative receives an advance of Facility funds, a repayment obligation is created (herein a "repayment obligation created hereunder") whereby the Agent Group Representative, for value received, agrees:

- (i) to pay to the Facility on each principal repayment date an amount equal to the principal amount due on such principal repayment date; and
- (ii) to pay the Facility on each interest payment date an amount equal to unpaid interest from the date of the advance through such interest payment date; and
- (iii) to pay the Facility on the maturity date an amount equal to the unpaid balance of the amount of the advance, if any, plus unpaid interest from the date of the advance through maturity date; and
- (iv) if the principal amount due on any principal repayment date is not paid on or before such a date, to pay the Facility -
 - (a) reasonable expenses of collection, including the reasonable attorney's fees and expenses incurred, plus
 - (b) a late principal payment charge equal to 2% of the principal amount, plus
 - (c) interest after such date through the maturity date on the unpaid balance of such principal amount at the interest rate specified on the confirmation,³ and
- (v) if the unpaid interest due on any interest payment date or the maturity date is not paid on or before such date, to pay the Facility:
 - (a) reasonable expenses of collection, including the reasonable attorney's fees and expenses incurred, plus
 - (b) a late interest payment charge equal to 20% of the unpaid interest, and
- (vi) if the amount due on the maturity date is not paid on or before the maturity date, to pay the Facility -
 - (a) reasonable expenses of collection, including the reasonable attorney's fees and expenses incurred, plus

each such principal payment date" is the aggregate amount of such principal payments received by the corporate credit union on the Agent loans; and "interest payment dates" are twelve business days after the end of each calendar month. As a further example, a confirmation may specify additional dates and amounts as follows: additional "principal repayment dates" are two business days after each date on which the Agent Group Representative receives one or more principal payments on Agent Group Representative loans listed in the confirmation; and the "principal amount due on each such [additional] principal repayment date" is the aggregate amount of such principal payments received by the Agent Group Representative on the Agent Group Representative loans.

³ Under paragraph (11) of this agreement, the full amount owed to the Facility at maturity will become immediately due and payable, unless otherwise determined by the Facility, if the Agent Group Representative fails to pay the amount due on any principal; repayment date or any interest payment date. In such case, the late payment charges and overdue interest rate specified in subparagraphs (4)(v) and (4)(vi) hereof would apply to the full amount owed to the Facility.

- (b) a late principal payment charge equal to 2% of the unpaid balance of the amount of the advance, as due on the maturity date, plus
- (c) interest after the maturity date on the unpaid balance of the overdue principal amount at the overdue interest rate specified in this agreement.

As used herein, unless the context otherwise requires, the date and amount of the advance, the interest rate, the principal repayment dates, the principal amount due on each such principal repayment date, the interest payment dates, and the maturity date are the dates, amount and rate specified as such in the confirmation issued by the Facility in connection with the advance; the overdue principal amount used for determining interest after the maturity date is equal to the unpaid balance of the amount of the advance, as due on the maturity date, plus unpaid interest from the date of the advance through the maturity date plus the unpaid balance of any late principal and interest payment charges payable through the day after the maturity date; and the overdue interest rate is the higher of the following two rates, namely, the interest rate specified in the confirmation or the highest interest rate set by the Facility for Facility advances to any party on the maturity date. Interest from the date of the advance through the maturity date shall be determined hereunder as follows, using the interest rate specified in the confirmation: interest shall accrue each day on the unpaid balance of the amount of the advance, and the unpaid interest from the date of the advance through any date shall be equal to all accrued interest through such date less the portion of such accrued interest that has been paid prior to such date.⁴

□ The Agent Group Representative may make a prepayment in any amount at any time. When the unpaid balance of the amount of the advance is reduced as a result of a prepayment, the principal amount due on the next succeeding principal repayment shall be reduced by an amount equal to the reduction in the unpaid balance of the amount of the advance. If any amount due on any interest payment date or the maturity date includes an amount that has previously been subjected to a late principal payment charge or a late interest payment charge under subparagraphs (4)(iv) or(4)(v) hereof, the amount used for computing any late interest payment charge or late principal payment charge on the amount due on such date shall exclude the amount that has previously been subjected to such a charge under subparagraphs (4)(iv) or(4)(v) hereof. The Facility may waive any part or all of the interest, late principal payment charge, late interest payment charge or overdue interest. Each payment on a repayment obligation created hereunder, including a prepayment thereon, shall be applied as follows to the amounts payable under the repayment obligation: if the payment is made on or before the maturity date, it shall be applied first to the unpaid balance of any late principal and interest payment charges payable through the time of the payment, then to

⁴ The number of days used for computing accrued interest shall exclude the date of the advance and shall include the date through which the accrued interest is being computed.

any unpaid interest that was not paid when due, then to the unpaid balance of any principal amount that was not paid when due, then to any unpaid interest that is due at the time of the payment, then to the unpaid balance of any principal amount that is due at the time of the payment, then to the remaining unpaid balance of the amount of the advance, and then to the remaining unpaid interest; if the payment is made after the maturity date, it shall be applied first to unpaid interest on the overdue principal amount and then to the unpaid balance of the overdue principal amount. If the amounts owed to the Facility on all repayment obligations created hereunder become immediately due and payable under the terms of paragraph (11) hereof, the maturity date of each such repayment obligation, as used herein, is the earlier of the following two dates, namely,

- the date such amounts become immediately due and payable, or
- the date specified as the maturity date in the confirmation issued by the Facility in connection with the advance that created the repayment obligation.

The Agent group Representative may make a prepayment in any amount at any time provided, however, that the Facility shall impose on any such prepayment, a prepayment penalty equivalent to any resultant prepayment penalty or cost incurred by the Facility.

RELENDING

(5) **Basis for Facility advance.** In connection with each advance of Facility funds to the Agent Group Representative:

- (i) The application of the Agent Group Representative for the Facility advance must be filed on a Facility-approved application form, or pursuant to any other method approved by the Facility, and must be based on the following:
 - (a) one or more applications to one or more corporate credit unions in the Agent Group by their member natural person credit unions for pending loans to meet liquidity needs; or
 - (b) one or more outstanding loans previously made by one or more corporate credit unions in the Agent Group to their member natural person credit unions to meet liquidity needs; or
 - (c) such other demonstrable liquidity needs as the NCUA Board may specify; or
 - (d) a combination of such applications, loans and other liquidity needs.⁵
 - (e) one or more loans from the Agent Group Representative to one or more corporate credit unions in the Agent Group, whether pending or outstanding, which are based on such applications, loans and other liquidity needs.⁶

⁵ Each such pending or outstanding loan must be a "qualified liquidity loan" subject to the repayment, security and credit reporting terms prescribed by the Facility for Agent loans. See subparagraph (5)(vii) of this agreement.

⁶ Each such loan to a corporate credit union in the Agent Group must be a "qualified AGR loan" subject to the repayment, security and credit reporting terms prescribed by the Facility for

Unless approved by the Facility, the Agent Group Representative shall not file an application for a Facility advance based on any application, outstanding loan or liquidity need of any credit union which became a member natural person credit union of a corporate credit union in the Agent Group after February 23, 1980, until such credit union has been a member natural person credit union of the Agent for six months. The restriction in the preceding sentence does not apply to any credit union which was chartered within six (6) months before becoming a natural person credit union of such corporate credit union or which has access to the Facility either as a Regular member or through an Agent member corporate credit union in the Agent Group within six (6) months before becoming a member natural person credit union of such corporate credit union.

- (ii) Each such application by a member natural person credit union for a pending loan (hereinafter a "pending loan") must have been submitted to a corporate credit union in the Agent Group on a Facility-approved application form, or pursuant to any other method approved by the Facility, and must have been approved by the corporate credit union, provided that the approval of the corporate credit union may be conditioned on the Facility's approval of the application filed with the Facility by the Agent Group Representative.
- (iii) Each such outstanding loan previously made to a member natural person credit union (hereinafter an "outstanding loan") must have been applied for on a Facility-approved application form, or pursuant to any other method approved by the Facility, and must have been approved by the corporate credit union in the Agent Group which made the loan.
- (iv) In determining whether to approve each such pending or outstanding loan, the corporate credit union must have given due consideration to the creditworthiness of the member natural person credit union in accordance with the requirements prescribed in the regulations and operating circulars of the Facility.
- (v) The aggregate principal amount of such pending loans plus the aggregate principal balance of such outstanding loans must be equal or exceed the amount of the Facility advance requested in the application of the Agent Group Representative to the Facility.
- (vi) Except as otherwise approved by the Facility, the application of the Agent Group Representative for the Facility advance must contain the following information with respect to each pending or outstanding loan:
 - (a) the name of the member natural person credit union which has applied for or received the pending or outstanding loan;
 - (b) the type or types of liquidity needs that are being met by the pending or outstanding loan

Each such pending or outstanding loan must be a "qualified liquidity loan" subject to the repayment, security and credit reporting terms prescribed by the Facility for Agent loans. See subparagraph (5)(xii) of this agreement

- (i.e., short-term adjustment credit, seasonal credit, or protracted adjustment credit);
- (c) the principal amount of the pending loan, or the principal balance of the outstanding loan;
- (d) if a pending loan, the date or dates the pending loan is expected to be advanced to the member natural person credit union, and the amount that is expected to be advanced on each such date;⁷
- (e) the interest rate on the pending loan or outstanding loan;
- (f) the type of repayment requirement that applies to the pending or outstanding loan (i.e., fixed term or scheduled repayment), and the date and amount of each principal payment that is required to be paid to the corporate credit union on the pending or outstanding loan;
- (g) a description of any security interest which the central credit union has granted in the pending or outstanding loan to any party other than the Agent Group Representative, including the name of the party, the amount secured, the other types of assets, if any, that are also subject to the security interest, and a statement as to whether the security interest is perfected or unperfected; and
- (h) such additional information as may be required by the Facility or in the Facility-approved application form.

The information required with respect to each such pending or outstanding loan may be combined with other information, including information relating to other loans, in copies of the Agent's records, in a listing, or in such other form as may be approved by the Facility.

- (vii) Each such pending or outstanding loan must be subject to an agreement between the central credit union and the member natural person credit union whereby the member natural person credit union agrees to the repayment, security and credit reports terms prescribed by the Facility for Agent loans.⁸
- (viii) If the amount of any advance on any such pending loan is not advanced to the member natural person credit union on or before the date the amount was expected to be advanced, as stated in the application of the Agent Group Representative for the Facility advance or in any subsequent report to the Facility, the Agent Group Representative shall submit a report to the Facility not later than ten business days after

⁷ Ordinarily, a pending loan should be fully advanced to the member natural person credit union within ten business days after the Agent Group Representative receives the Facility advance.

⁸ A copy of such terms is attached to this agreement. A pending or outstanding loan is subject to such terms if the credit union has signed or agreed to such terms and if the loan was made solely to meet liquidity needs and was specified by the Agent as a "qualified liquidity loan" at the time the loan was made. "Agent loans" are defined as subparagraph (3)(viii) of this agreement.

such date. The report shall state the reason the amount was not advanced on such date and shall specify the date the amount was advanced or is expected to be advanced. Within ten business days after any corporate credit union in the Agent Group receives any principal payment on an Agent loan, the Agent Group Representative shall report such principal payment to the Facility. The report shall identify the Agent loan and shall show the date and amount of the principal payment.

- (ix) Each such loan from the Agent Group Representative to a corporate credit union in the Agent Group must have been applied for on a Facility-approved application form, or pursuant to any other method approved by the Facility, and must have been approved by the Agent Group Representative, provided that the approval of the Agent Group Representative may be conditioned on the Facility's approval of the application of the Agent Group Representative to the Facility.
- (x) The aggregate principal amount of such loans, if pending, plus the aggregate principal balance of such loans, if outstanding, from the Agent Group Representative to corporate credit unions in the Agent Group must equal or exceed the amount of the Facility advance requested in the application of the Agent Group Representative to the Facility.
- (xi) Except as otherwise approved by the Facility, the application of the Agent Group Representative for the Facility advance must contain the following information with respect to each such loan from the Agent Group Representative to a corporate credit union in the Agent Group:
 - (a) the name of the corporate credit union to which the loan is made;
 - (b) the principal amount of the loan, if pending, or the principal balance of the loan, if outstanding;
 - (c) if, pending, the date or dates the loan is expected to be advanced to the corporate credit union, and the amount that will be advanced on each such date.⁹
 - (d) the interest rate on the loan;
 - (e) the type of repayment requirement that applies to the loan (i.e., fixed term or scheduled repayment), and the date and amount of each principal payment that is required to be paid to the Agent Group Representative on the loan;
 - (f) a description of any security interest which the Agent Group Representative has granted in the loan to any party other than the Facility, including the name of the

⁹ Ordinarily, the loan should be fully advanced to the borrowing corporate credit union within ten business days after the Agent group Representative receives the Facility advance.

party, the amount secured, the other types of assets, if any, that are also subject to the security interest, and a statement as to whether the security interest is perfected or unperfected; and

- (g) such additional information as may be required by the Facility or in the Facility-approved application form.

The information required with respect to each such pending or outstanding loan may be combined with other information, including information relating to other loans, in copies of the Agent Group Representative's records, in a listing, or in such other form as may be approved by the Facility.

- (xii) Each such loan from the Agent Group Representative to a corporate credit union in the Agent group must be subject to an agreement between the Agent Group Representative and the corporate credit union whereby the corporate credit union agrees to the repayment, security and credit reports terms prescribed by the Facility for the Agent Group Representative loans.¹⁰

- (xiii) If the amount of any advance on any such pending loan is not advanced to the corporate credit union on or before the date the amount was expected to be advanced, as stated in the application of the Agent Group Representative for the Facility advance or in any subsequent report to the Facility, the Agent Group Representative shall submit a report to the Facility not later than five business days after such date. The report shall state the reason the amount was not advanced on such date and shall specify the date the amount was advanced or is expected to be advanced. Within two business days after the Agent Group Representative receives any principal payment on an Agent Group Representative loan, the Agent Group Representative shall report such principal payment to the Facility. The report shall identify the Agent Group Representative loan and shall show the date and amount of the principal payment.

- (xiv) A report or notification to the Facility under subparagraphs (5)(viii) or (5)(xv) hereof may be delayed beyond the specified deadline if the reason for the delay is the failure of a corporate credit union in the Agent Group to report the necessary information to the Agent Group Representative at least two (2) business days before the specified deadline. If a report or notification is delayed because of such failure, it shall be submitted to the Facility within two (2) business days after the Agent Group

¹⁰ A copy of such terms is attached to this agreement. A loan is subject to such terms if the corporate credit union has signed or agreed to such terms and if the loan was based solely on qualified liquidity loans or eligible liquidity needs and was specified by the Agent Group Representative as a "qualified AGR loan" at the time the loan was made. "Agent Group Representative loans" are defined as subparagraph (3)(ix) of this agreement.

Representative receives a report of the necessary information. The Agent Group Representative shall take such steps as may be reasonable necessary to obtain the information from the corporate credit union in time to submit the required reports and notifications to the Facility on or before the specified deadlines. The Agent Group Representative shall also take such steps as may be reasonable necessary to determine compliance by corporate credit unions in the Agent Group with the requirements of subparagraphs (5)(ii), (5)(iii), (5)(iv) and (5)(vii) hereof. In the absence of any knowledge indicating noncompliance, the Agent Group Representative may determine compliance by relying on statements, representations and other information in applications, certifications and other communications from such corporate credit unions.

- (xv) The Agent Group Representative shall promptly notify the Facility or any default on any Agent loan or Agent Group Representative loan.
- (xvi) All Agent loans shall have the status of general intangibles under the Uniform Commercial Code, and no promissory note or similar writing shall be signed or apply with respect to any such loan.¹¹
- (xvii) Except as otherwise permitted by the Facility, the principal amounts owed to each corporate credit union on Agent loans shall, at all times, equal or exceed the principal amounts owed by such corporate credit unions to the Agent Group Representative on Agent Group Representative loans, and the principal amounts owed to the Agent Group Representative on all Agent Group Representative loans shall at all times, equal or exceed the principal amounts owed by the Agent Group Representative to the Facility on all repayment obligations created hereunder. If the principal amounts owed to a corporate credit union on Agent loans to any one natural person credit union at any time exceeds 10% of the subscribed capital stock and surplus of the Facility, the Agent Group Representative shall request the corporate credit union to perfect security interests granted to the corporate credit union as security for such Agent loans. The security interests must be perfected to the extent necessary to maintain a perfected security interest in collateral having a value equal to or greater than such excess.

- (6) **Records.** The Agent Group Representative shall maintain a separate account or record for each corporate credit union in the Agent Group to which Agent Group Representative loans have been made. The separate account or record shall identify each Agent Group Representative

¹¹ Under subparagraph (5)(xii) of this agreement, the repayment, security and credit reporting terms prescribed by the Facility Group Representative loans, and they do not constitute a "promissory note or similar writing", as those terms are used herein.

loan and show all amounts advanced and repaid on such loan. If records maintained by the Facility for Agent Group Representative loans are used by the Agent Group Representative as its records of such loans, no additional account or record needs to be maintained by the Agent with respect to such loans.

(7) **Agent Group Representative agreement.** The Agent Group Representative shall comply with all terms and conditions imposed on the Agent Group Representative in the repayment, security and credit reporting terms prescribed by the Facility for Agent Group Representative loans.

SECURITY

(8) **Collateral.** To secure the repayment obligations created by an advance of funds pursuant to this agreement, the Agent Group Representative grants a security interest in favor of the Facility in the following property, whenever acquired (hereinafter "the collateral"):

- (i) All repayment obligations from corporate credit unions in the Agent Group to the Agent Group Representative, whenever created, arising out of loans that constitute Agent Group Representative loans to such corporate credit unions;
- (ii) the security interests granted to the Agent Group Representative by such corporate credit unions as security for such repayment obligations.

(9) **Perfection.** The Facility shall have the right at any time to perfect the security interest granted hereunder with respect to any part or all of the collateral. Perfection shall be by filing in accordance with the filing requirements for general intangibles under the Uniform Commercial Code and other applicable laws. The Agent Group Representative shall sign a financing statement and such other papers as may be appropriate for filing and shall pay all necessary filing fees. To the extent requested by the Facility, the Agent Group Representative shall perfect the security interests granted to the Agent Group Representative by corporate credit unions as security for Agent Group Representative loans.

(10) **Transfer Restriction.** Except as approved or permitted by the Facility, the Agent Group Representative shall not sell or otherwise transfer the collateral or grant a security interest in the collateral to any party other than the Facility. The Facility may subordinate or terminate its security interest in any part or all of the collateral subject to such terms and conditions as the Facility may impose.

(11) **Acceleration and default.** Except as otherwise determined by the Facility, the amounts owed to the Facility on all repayment obligations created hereunder shall become immediately due and payable to the Facility, without any demand or notice, upon:

- (i) the failure of the Agent Group Representative to perform any of its obligations under this agreement, including failure to pay the amount due on any principal repayment date, interest payment date or maturity date under any repayment obligation created hereunder; or
- (ii) the failure of the Agent Group Representative to pay any other obligation to the Facility when due; or

(iii) the failure of the Agent Group Representative to comply with the terms of any undertaking, statement or representation made by the Agent Group Representative to the Facility in any application, certification or other communication; or

(iv) the insolvency of, or appointment of a trustee or receiver for, the Agent Group Representative; or

(v) an assignment for the benefit of creditors of the Agent Group Representative, or

(vi) the closing or suspension or revocation of the charter of the Agent Group Representative, or the taking possession of its business, by any governmental authority; or

(vii) the withdrawal of the Agent Group Representative from membership in the Facility.

The occurrence of any of the events described in subparagraphs (11)(i) through (11)(vii) hereof shall constitute a default under this agreement. The term "insolvency" in subparagraph (11)(iv) hereof has the same meaning as in 12 CFR 700.1(j)(1). The Facility may waive a default under this agreement and may reinstate the maturity date or any principal payment date, or interest payment date on any repayment obligation created hereunder which becomes immediately due and payable as a result of any such default.

(12) **Enforcement.** Upon the occurrence of a default under this agreement, or at any time thereafter, the Facility shall have all the rights and remedies provided under the Uniform Commercial Code and under this agreement, including but not limited to any one or more of the following: the Facility may, in its own name, or in the name of the Agent Group Representative:

- (i) notify corporate credit unions in the Agent group to make payments to the Facility on any one or more of the repayment obligations of such corporate credit unions which constitute the collateral under this agreement;
- (ii) collect the amounts due on any one or more of such repayments obligations of such corporate credit unions by any available judicial procedure;
- (iii) enforce the security interests granted by such corporate credit unions as security for such repayment obligations;
- (iv) exercise all the rights and remedies of the Agent Group Representative with respect to such security interests, including enforcement of such security interests by any available judicial procedure; and
- (v) sell or otherwise dispose of any one or more of such repayment obligations of such corporate credit unions, together with the security interests securing such repayment obligations, at public or private proceedings.

The proceeds of such repayment obligations of such corporate credit unions, including the proceeds of the sale or other disposition thereof, shall be applied by the Facility first to the reasonable expenses of collecting such proceeds and of selling such repayment obligations of such corporate credit unions, including the reasonable attorney's fees and legal expenses incurred, and then to the payment of amounts due

on all repayment obligations created hereunder. Any surplus then remaining shall be paid or returned to the Agent Group Representative. If there is a deficiency, the Agent Group Representative shall be liable for the deficiency. If the Facility is indebted to the Agent Group Representative, the Facility shall have the right to set-off such indebtedness against all amounts due the Facility on all repayment obligations created hereunder, without regard to when such indebtedness may be due and payable.

CREDIT REPORTING

(13) **Required reports.** The Agent Group Representative shall file such reports and provide such information as may be required by the Facility from time to time.

CONSTRUCTION, MODIFICATION AND MISCELLANEOUS

(14) **Governing law.** This agreement shall be construed under and governed by the law of the Commonwealth of Virginia, including the Uniform Commercial Code as adopted and amended from time to time by the Commonwealth of Virginia. All references to the Uniform Commercial Code in this agreement are to such Code as adopted and amended from time to time by the Commonwealth of Virginia. Unless the context of this agreement requires otherwise, the terms used in such Code shall have the same meaning when used in this agreement. Unless the Uniform Commercial Code or the context of this agreement requires otherwise, the terms defined in the rules and regulations prescribed by the NCUA Board on behalf of the Facility shall have the same meanings when used in this agreement.

(15) **Modification procedures.** This agreement may be modified from time to time by the NCUA Board. Any such modifications shall be published in the Federal Register and shall be mailed to the Agent at the address shown for the Agent Group Representative in the records of the Facility. The modification shall become a part of this agreement as of the effective date specified in the Federal Register, provided that the effective date specified in the Federal register shall not be less than 30 days after the required publication and mailing unless

- (i) the modification is limited to the reduction or elimination of any one or more of the obligations imposed on the Agent Group Representative by any term or condition of this agreement, or
- (ii) the NCUA Board makes a finding that an earlier effective date is necessary, and the finding is included in the require publication and mailing.

Written data, views or arguments concerning the modification may be submitted by the Agent Group Representative to the Facility at any time up to five days before the effective date specified in the Federal Register. The modification shall apply to all advances of Facility funds after such effective date. All such modifications are a part of this agreement, including modifications that occurred prior to the signing of this agreement. Operating circulars issued by the Facility may include interpretive rules and statements of policy with respect to the terms and conditions of this

agreement but may not modify any such terms or condition. Without modification of this agreement, the Facility may waive any part or all of any obligation imposed on the Agent Group Representative by any term or condition of this agreement, and the Facility may reinstate any part of all of any such obligation previously waived by the Facility.

(16) **Filing Location.** Unless otherwise directed by the Facility, all applications, reports, notifications and other communications from the Agent Group Representative to the Facility shall be filed with a Facility lending officer.

(17) **Disclaimer of agency relationship.** Except as specifically authorized by the Facility, no agency relationship exists between the Facility and the Agent Group Representative, and the term "Agent" is not intended to imply any such relationship.

(18) **Agent compensation.** The Facility shall compensate the Agent Group Representative for the services it performs for the Facility as a result of the obligations imposed on the Agent Group Representative by this agreement. Compensation shall be determined and provided by the Facility in accordance with any rules and regulations prescribed by the NCUA Board on behalf of the Facility and in accordance with operating circulars issued by the Facility. Subject to such rules and regulations and operating circulars, the following factors shall be taken into account by the Facility in determining and providing compensation to the Agent Group Representative:

- (i) the additional expenses that are incurred by the Agent Group Representative as a result of the obligations imposed on the Agent Group Representative by this agreement;
- (ii) the income that is earned by the Agent Group Representative on Agent Group Representative loans;
- (iii) such other factors, if any, as the NCUA Board may deem relevant.

(19) **Delegation restriction.** Except as authorized or permitted in this agreement by the Facility, the rights and obligations of the Agent Group Representative under this agreement may not be transferred or delegated by the Agent Group Representative. The Agent Group Representative is permitted to use the data processing services of other parties to process the accounts and records that they are required to maintain under this agreement.

(20) **Severability.** This agreement shall be severable. The invalidity of any term or condition of this agreement shall not invalidate the remainder of this agreement, and each term and condition of this agreement shall be fully enforceable regardless of the validity of any other term or condition of this agreement.

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

Accepted by:

(Signature)

Date Accepted:

Print or Type Corporate Credit Union Name

by*

(Signature)
Official

Chief Elected

(Print or Type Official's Name)

*

(Signature)

Treasurer

(Print or Type Official's Name)

(Date of Execution of this Agreement)

*Must be signed by both the Chief Elected Official and the Treasurer