

**CREDIT APPLICATION**

Check  
Appropriate  
Box

I am applying for individual credit in my own name and I am relying on my own income or assets and not the income or assets of another person as the basis for repayment of the credit requested.

This is an application for joint credit with another person.

We intend to apply for joint credit. \_\_\_\_\_ Applicant \_\_\_\_\_ Co-Applicant

If you are applying for individual credit, but are relying on income from alimony, child support, or separate maintenance or on the income or assets of another person for repayment of the credit requested, complete all sections including information in (B) about the person whose alimony, support, maintenance, or income you are relying on.

|          |                      |   |   |          |                  |          |
|----------|----------------------|---|---|----------|------------------|----------|
| PERSONAL | Applicant's Name (A) |   | Social Security #                                       |          | Date of Birth    |          |
|          |                      |   |   |          | / /              |          |
|          | Street Address       |   | City  |          | State            | Zip Code |
|          | Phone No.<br>( )     | <input type="checkbox"/> Own<br><input type="checkbox"/> Rent \$ _____<br>Per Month | At Present Address<br>_____ Yrs. _____ Mos.             | Employer |                  |          |
| Position | Years there          | Net Income<br>/Month  | Nearest Relative NOT Living With You (Name and Address) |          | Phone No.<br>( ) |          |

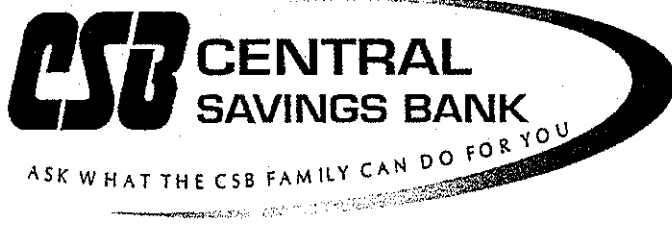
|   |                                       |          |                   |          |               |          |
|---|---------------------------------------|----------|-------------------|----------|---------------|----------|
| JOINT APPLICANT   | Joint Applicant's Name (B)            |          | Social Security # |          | Date of Birth |          |
|   |                                       |          |                   |          | / /           |          |
|   | Address (If different from Applicant) |          | City              |          | State         | Zip Code |
|   | Phone No.<br>( )                      | Employer |                   | Position | Years There   |          |
| Nearest Relative NOT Living With You (Name and Address) |                                       |          | Phone No.<br>( )  |          |               |          |

|           |                       |                  |           |         |
|-----------|-----------------------|------------------|-----------|---------|
| REFERENCE | Bank Name, Address    | Phone No.<br>( ) | Account # | Contact |
|           | Other Finance Company | Phone No.<br>( ) | Account # | Contact |

|             |                                       |              |   |
|-------------|---------------------------------------|--------------|---|
| TRANSACTION | Description of courses registered for |              |   |
|             | Tuition Amount                        | Down Payment | Requested Loan Terms (How many Months?) |

I understand that, in considering this application for a loan you will rely upon the statements contained herein. I have reviewed the information contained in this application, and I affirm that the foregoing statements are accurate and complete, and are made to induce Central Savings Bank to grant such a loan. I represent and warrant that I have no outstanding financial obligations or any kind whatsoever, direct or indirect, by guaranty or otherwise, except as shown above. All incomplete spaces in this application shall be deemed to be answered by me in the negative. I warrant that no information has been concealed or withheld which may be material to a proper consideration by you of the application. I understand that you will retain this application whether or not it is approved. You are authorized to check my credit and employment history and to answer questions about your credit experience with me.

Date \_\_\_\_\_ Applicant \_\_\_\_\_  
Co-Applicant \_\_\_\_\_



I authorize **CENTRAL SAVINGS BANK** to order a consumer credit report and verify other credit information as necessary. I further authorize Central Savings Bank to discuss my application and credit worthiness with authorized personnel at Industrial Arts Institute, Inc. Industrial Arts Institute may guarantee this debt, by signing below I further authorize Central Savings Bank to discuss my account status with Industrial Arts Institute as guarantor. It is understood that a photocopy of this form will also serve as authorization.

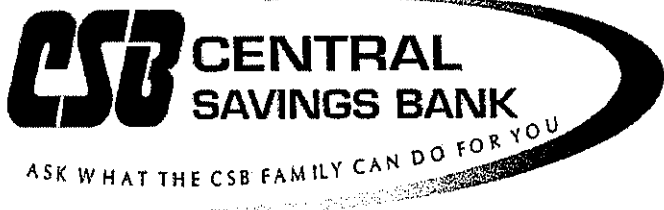
The information the lender obtains is only to be used in the processing of my obligation for an installment loan.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant

\_\_\_\_\_  
Date



CENTRAL SAVINGS BANK

Information About Insurance Products Offered  
in Connection With Your Application for Credit

You are applying for credit with which an insurance product or annuity is being solicited offered, or sold. You should be aware of the following:

1. We may not condition the extension of credit on your purchase of an insurance product or annuity from us or any of our affiliates.
2. We may not condition the extension of credit on your agreement not to obtain an insurance product or annuity from an unaffiliated entity nor may we prohibit you from obtaining the insurance product or annuity from an unaffiliated entity as a condition of the extension of credit.

I acknowledge that I received this disclosure in writing and unless this transaction is conducted by mail, orally.

\_\_\_\_\_  
Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Co-Applicant

\_\_\_\_\_  
Date

**FACTS**

**WHAT DOES CENTRAL SAVINGS BANK DO WITH YOUR PERSONAL INFORMATION?**

**Why?**

Financial companies choose how they share your personal information. Federal law gives consumers the right to limit some but not all sharing. Federal law also requires us to tell you how we collect, share, and protect your personal information. Please read this notice carefully to understand what we do.

**What?**

The types of personal information we collect and share depend on the product or service you have with us. This information can include:

- Social Security number
- Account balances
- Payment history
- Credit history
- Overdraft history
- Wire transfer instructions

When you are *no longer* our customer, we continue to share your information as described in this notice.

**How?**

All financial companies need to share customers' personal information to run their everyday business. In the section below, we list the reasons financial companies can share their customers' personal information; the reasons Central Savings Bank chooses to share; and whether you can limit this sharing.

| Reasons we can share your personal information  | Does Central Savings Bank share? | Can you limit this sharing? |
|---|----------------------------------|-----------------------------|
| <b>For our everyday business purposes -</b> such as to process your transactions, maintain your account(s), respond to court orders and legal investigations, or report to credit bureaus | Yes                              | No                          |
| <b>For our marketing purposes -</b> to offer our products and services to you   | No                               | We don't share              |
| <b>For joint marketing with other financial companies</b>   | No                               | We don't share              |
| <b>For our affiliates' everyday business purposes -</b> information about your transactions and experiences   | No                               | We don't share              |
| <b>For our affiliates' everyday business purposes -</b> information about your creditworthiness   | No                               | We don't share              |
| <b>For nonaffiliates to market to you</b>   | No                               | We don't share              |

**Questions?**

Call toll-free 1-800-562-4880 or go to [www.centralsavingsbank.com](http://www.centralsavingsbank.com)

| What We Do  |   |
|---|---|
| How does Central Savings Bank protect my personal information?  | To protect your personal information from unauthorized access and use, we use security measures that comply with federal law. These measures include computer safeguards and secured files and buildings.<br>We also maintain other physical, electronic and procedural safeguards to protect this information and we limit access to information to those employees for whom access is appropriate.  |
| How does Central Savings Bank collect my personal information?  | We collect your personal information, for example, when you <ul style="list-style-type: none"> <li>● Open an account</li> <li>● Apply for a loan</li> <li>● Make deposits or withdrawals from your account</li> <li>● Give us your income information</li> <li>● Make a wire transfer</li> </ul> We also collect your personal information from others, such as credit bureaus, affiliates, or other companies.   |
| Why can't I limit all sharing?  | Federal law gives you the right to limit only <ul style="list-style-type: none"> <li>● sharing for affiliates' everyday business purposes - information about your creditworthiness</li> <li>● affiliates from using your information to market to you</li> <li>● sharing for nonaffiliates to market to you</li> </ul> State laws and individual companies may give you additional rights to limit sharing. See below for more on your rights under state law. |
| Definitions   |   |
| Affiliates  | Companies related by common ownership or control. They can be financial and non-financial companies. <ul style="list-style-type: none"> <li>● <i>Central Savings Bank does not share with our affiliates.</i></li> </ul>  |
| Nonaffiliates   | Companies not related by common ownership or control. They can be financial and non-financial companies. <ul style="list-style-type: none"> <li>● <i>Central Savings Bank does not share with nonaffiliates so they can market to you.</i></li> </ul>   |
| Joint Marketing   | A formal agreement between nonaffiliated financial companies that together market financial products or services to you. <ul style="list-style-type: none"> <li>● <i>Central Savings Bank doesn't jointly market.</i></li> </ul>  |
| Other Important Information   |   |
| <p><b>For Alaska, Illinois, Maryland and North Dakota Customers.</b> We will not share personal information with nonaffiliates either for them to market to you or for joint marketing - without your authorization.</p> <p><b>For California Customers.</b> We will not share personal information with nonaffiliates either for them to market to you or for joint marketing - without your authorization. We will also limit our sharing of personal information about you with our affiliates to comply with all California privacy laws that apply to us.</p> <p><b>For Massachusetts, Mississippi and New Jersey Customers.</b> We will not share personal information from deposit or share relationships with nonaffiliates either for them to market to you or for joint marketing - without your authorization.</p> <p><b>For Vermont Customers.</b> We will not share personal information with nonaffiliates either for them to market to you or for joint marketing without your authorization, and we will not share personal information with affiliates about your creditworthiness without your authorization.</p> |   |

**Note, Disclosure, and Security Agreement**

**Lender**  
 CENTRAL SAVINGS BANK  
 511 BINGHAM AVENUE  
 SAULT STE MARIE, MI 49783

**Borrower**  
 STUDENT A. LOAN  
 511 BINGHAM AVE  
 SAULT STE MARIE, MI 49783

|               |            |
|---------------|------------|
| OFFICER/PRO   | RAL/SKH    |
| Loan Number   | 111111-102 |
| Loan Date     | 02-21-2017 |
| Maturity Date | 07-21-2022 |
| Loan Amount   | 15,100.00  |
| Renewal of    | N/A        |

Refer to the attached addendum for additional Borrowers and their signatures.

**Truth-in-Lending Disclosures**

|   |   |  |  |
|---|---|--|--|
| <b>Annual Percentage Rate</b><br>The cost of my credit as a yearly rate.<br><br>12.155% | <b>Finance Charge</b><br>The dollar amount the credit will cost me.<br><br>\$6,129.01 | <b>Amount Financed</b><br>The amount of credit provided to me or on my behalf.<br><br>\$ 15,000.00 | <b>Total of Payments</b><br>The amount I will have paid when I have made all scheduled payments.<br><br>\$ 21,129.01 |
|---|---|--|--|

My Payment Schedule Will Be:

| Payments | Amount of Payments | When Payments Are Due        |
|----------|--------------------|------------------------------|
| 59       | \$ 352.15          | MONTHLY BEGINNING 08-21-2017 |
| 1        | \$ 352.16          | ON 07-21-2022                |
|          | \$                 |                              |
|          | \$                 |                              |

"e" means an estimate.

**Demand.**  This note has a demand feature.  This note is payable on demand and all disclosures are based on an assumed maturity of one year.

**Prepayment.** If I pay off this note early, I  may  will not have to pay a minimum interest charge.

If I pay off this note early, I will not be entitled to a refund of part of the additional finance charge.

**Late Charge.** If a payment is late (more than 10 days after due) I will be charged \$25.00

**Security.** I am giving a security interest in:  
 the goods or property being purchased.  
 collateral securing other loans with you may also secure this loan.  
 (brief description of other property) UNSECURED

**Filing Fees.** \$ \_\_\_\_\_

**Non-filing Insurance.** \$ \_\_\_\_\_

**Required Deposit.** The annual percentage rate does not take into account my required deposit.

**Assumption.** Someone buying the property securing this obligation cannot assume the remainder of the obligation on the original terms.

**Contract Documents.** I can see my contract documents for any additional information about nonpayment, default, any required repayment before the scheduled date, and prepayment refunds and penalties.

**Promissory Note**

**Other Terms.**

**Promise to Pay.** For value received, I promise to pay to you, or your order, at your address above, the principal sum of \$ 15,100.00, plus interest from 02-21-2017 at the rate of 12.000% per year until 07-21-2022.

Interest accrues on a ACTUAL/ACTUAL basis. I agree to pay late charges in accordance with the provisions shown in the Truth-in-Lending Disclosures. The purpose of this loan is STUDENT LOAN.

**Payment.** I will pay this note as follows:  
 59 MONTHLY PAYMENTS OF \$352.15 BEGINNING 08-21-2017 AND 1 PAYMENT OF \$352.16 ON 07-21-2022. THE ACTUAL AMOUNT OF MY FINAL PAYMENT WILL DEPEND ON MY PAYMENT RECORD.

**Itemization of Amount Financed**

|  |                     |
|--|---------------------|
| Amount given to me directly  | \$ _____            |
| Amount paid on my (loan) account   | \$ _____            |
| <b>TO LENDER</b>   | \$ <u>100.00</u>    |
| Amount paid to others on my behalf (You may retain or receive a portion of these amounts.) | \$ _____            |
| To insurance companies   | \$ _____            |
| To public officials  | \$ _____            |
| <u>SCHOOL</u>  | \$ <u>15,000.00</u> |
|  | \$ _____            |
| (less) Prepaid Finance Charge(s)   | \$ <u>100.00</u>    |
| <b>Amount Financed</b>   | \$ <u>15,000.00</u> |

**Post-Maturity Interest.** Interest will accrue after maturity on the unpaid balance of this note on the same basis as interest accrues before maturity, unless a specific post-maturity interest rate is agreed to in the next sentence.

Interest will accrue at the rate of 12.000% per year on the balance of this note not paid at maturity, including maturity by acceleration.

**Additional Finance Charge.** I also agree to pay a nonrefundable fee of \$ 100.00, and it will be  paid in cash.  paid pro rata over the loan term.  withheld from the proceeds. (If this fee is withheld from the proceeds, the amount is included in the principal sum.)

**Minimum Interest Charge.** I agree to pay a minimum interest charge of \$ \_\_\_\_\_ if I pay this note off before you have earned that much in interest.

**Returned Payment Fee.** I agree to pay a service charge of \$ \_\_\_\_\_ for each payment (check or automatic payment) returned unpaid.

**Security Agreement**

**Security.** To secure the obligations of this Loan Agreement, I give you a security interest in the Property described below:

**All Debts.** The Property will also serve as collateral for all present and future debts.

**Other Security.** This Loan Agreement is secured by \_\_\_\_\_

## Additional Terms of the Promissory Note

**Definitions.** As used in this Loan Agreement,  indicates terms that apply to this Loan Agreement. *Loan Agreement* refers to this Promissory Note, Security Agreement, and Truth in Lending Disclosures, and any extensions, renewals, modifications, and substitutions of this Loan Agreement. *Loan* refers to this transaction generally, including obligations and duties arising from the terms of all documents prepared or submitted for this transaction, such as applications, security agreements, disclosures, or notes, and this Loan Agreement. *Security Agreement* refers to the security agreement contained within this Loan Agreement. *Secured Debts* refers to all sums advanced to you under the terms of the Loan Agreement, and all present and future debts (if the All Debts subsection of the Security Agreement has been checked). The pronouns *I, me* and *my* refer to each Borrower signing this Loan Agreement, individually and together with their heirs, successors and assigns, and each other person or legal entity (including guarantors, endorser, and sureties) who agrees to pay this Loan Agreement. *You* and *your* refer to the Lender and its successors and assigns.

**Payments.** Unless otherwise provided in the Other Terms section, each payment I make on this Loan Agreement will be applied first to any charges I owe other than principal and interest, then to interest that is due, and finally to principal that is due. No late charge will be assessed on any payment when the only delinquency is due to late fees assessed on earlier payments and the payment is otherwise a full payment. The actual amount of my final payment will depend on my payment record.

**Interest.** Interest will accrue on the unpaid principal balance until paid in full. For interest calculation, the accrual method will determine the number of days in a year. The interest rate and other charges on this Loan Agreement will never exceed the highest rate or charge allowed by law for this loan. If the amount collected is found to exceed the highest rate or charge allowed, you will refund an amount necessary to comply with the law.

**Post-Maturity Interest.** Interest will accrue on the principal balance remaining unpaid after final maturity at the rate specified in this Loan Agreement. For purposes of this section, final maturity occurs on any of the following dates.

- If this Loan Agreement is payable on demand, on the date you make demand for payment.
- If this Loan Agreement is payable on demand with alternate payment date(s), on the date you make demand for payment or on the final alternate payment date, whichever is earlier.
- On the date of the last scheduled payment of principal.
- On the date you accelerate the due date of this Loan Agreement (demand immediate payment).

**Prepayment.** I may prepay this Loan Agreement in whole or in part at any time. Any partial prepayment will not excuse any later scheduled payments until I pay in full.

**Commissions.** I understand and agree that you (or your affiliate) will earn commissions or fees on any insurance products, and may earn such fees on other services that I buy through you or your affiliate.

**Warranties and Representations.** I have the power and authority to enter into this Loan Agreement. The execution and delivery of this Loan Agreement will not violate any agreement governing me or my property, or to which I am a party.

I own all of the Property, unless otherwise agreed and disclosed to you in writing. Your claim to the Property is ahead of the claims of any other creditor, except as disclosed in writing to you prior to any advance on the Secured Debts. The Property has not been and will not be used for any purpose that would violate any laws or subject the Property to forfeiture or seizure.

**Default.** Subject to any limitations in the Real Estate or Residence Security section, I will be in default if any of the following occur.

- I fail to make a payment when due.
- I fail to perform any condition or keep any promise of this or any agreement I have made with you.

**Remedies.** Subject to any limitations in the Real Estate or Residence Security section, after I default, and after you give any legally required notice and opportunity to cure the default, you may at your option do any one or more of the following.

- Make all or any part of the amount owing by the terms of this Loan Agreement due.
- Use any and all remedies you have under state or federal law, or in any instrument securing this Loan Agreement.
- Make a claim for any and all insurance benefits or refunds that may be available on my default.
- Set off any amount due and payable under the terms of this Loan Agreement against my right to receive money from you, unless prohibited by law.
- Make amounts advanced on my behalf due and add those amounts to the balance owing under the terms of this Loan Agreement.
- Require me to gather the Property and make it available to you in a reasonable fashion (unless prohibited by law); keep or dispose of the Property as provided by law; apply the proceeds to your expenses of collection and enforcement and then to the Secured Debts; and, unless prohibited by law, and following any required notice of deficiency, hold me liable for any deficiency if what you receive from the sale does not satisfy the Secured Debts.

By choosing any one or more of these remedies you do not give up your right to use any other remedy. You do not waive a default if you choose not to use any remedy. By electing not to use any remedy, you do not waive your right to later consider the event a default and to use any remedies if the default continues or occurs again.

**Real Estate or Residence Security.** If this Loan Agreement is secured by real estate or a residence that is personal property, the existence of a default and your remedies for such a default will be determined by applicable law, by the terms of any separate instrument creating the security interest and, to the extent not prohibited by law and not contrary to the terms of the separate security instrument, by this Loan Agreement.

**Waivers.** To the extent not prohibited by law, I waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate, and notice of dishonor. You may renew or extend payments on this Loan Agreement, regardless of the number of such renewals or extensions. You may release any Borrower, endorser, guarantor, surety, accommodation maker, or any other cosigner. You may release, substitute, or impair any Property securing this Loan Agreement.

**Collection Expenses and Attorneys' Fees.** On or after Default, to the extent permitted by law, I agree to pay all reasonable expenses of collection, enforcement, or protection of your rights and remedies under this Loan Agreement. Expenses include, but are not limited to, attorneys' fees, court costs and other legal expenses. These expenses are due and payable immediately. If not paid immediately, these expenses will bear interest from the date of payment until paid in full at the rate provided in the terms of this Loan Agreement. All fees and expenses will be secured by the Property I have granted you, if any. To the extent permitted by the United States Bankruptcy Code, I agree to pay the reasonable attorneys' fees you incur to collect this debt as awarded by any court exercising jurisdiction under the Bankruptcy Code.

**General Provisions.** This Loan Agreement is governed by the laws of Michigan, the United States of America, and to the extent required, by the laws of the jurisdiction where the Property is located. If two or more Borrowers sign this Loan Agreement, we are liable to repay jointly and severally. This Loan Agreement is the complete and final expression of our agreement. No modification of this Loan Agreement is effective unless made in writing and signed by me and you. The duties and benefits of this Loan Agreement will bind and benefit the successors and assigns of me and you. If any provision of this Loan Agreement is unenforceable, then the unenforceable provision will be severed and the remaining provisions will be enforceable.

Unless otherwise required by law, any notice will be given by delivering it or mailing it by first class mail to my last known address. Notice to one party will be deemed to be notice to all parties. Where a notice is required, I agree that 10 days prior written notice will be reasonable notice to me under the Uniform Commercial Code or other applicable state law.

I will provide you any financial statement or information you request. All financial statements and information I give you will be correct and complete. My name and address are my exact legal name and my principal residence. I will provide you with at least 30 days notice prior to changing my name or principal residence.

I agree to sign, deliver, and file any additional documents or certifications that you may consider necessary to perfect, continue, and preserve my obligations under this Loan and to confirm your lien status on any Property.

## Additional Terms of the Security Agreement

**Generally.** *Property* means any collateral described in this Loan Agreement in which I have an interest, now or in the future, wherever the Property is or will be located, and all proceeds and products from the Property. Property includes all parts, accessories, repairs, replacements, improvements, and accessions to the Property; any original evidence of title or ownership; and all obligations that support the payment or performance of the Property.

If the All Debts subsection is checked, the Property also secures all present and future debts, even if this Loan Agreement is not referenced in the debt instrument, the future debts are also secured by other collateral, or if the future debt is unrelated to or of a different type than this debt. Nothing in this Loan Agreement is a commitment to make future loans or advances. This Loan Agreement will not secure any debt for which you fail to give any required notice of the right of rescission (i.e., right to cancel), or any debt for which a non-possessory, non-purchase money security interest is created in *household goods* in connection with a *consumer loan*, as those terms are defined by federal law governing unfair and deceptive credit practices.

**Purchase Money Security Interest.** If this is a purchase money loan (the loan proceeds are used to purchase the collateral), I authorize you, at your option, to disburse the loan proceeds directly to the seller of the Property. The portion of the Property purchased with loan proceeds will remain subject to your purchase money security interest until the Secured Debts are paid in full. Payments on any non-purchase money loan also secured by this Security Agreement will not be applied to the purchase money loan. Payments on the purchase money loan will be applied first to the non-purchase money portion of the loan, if any, and then to the purchase money portion in the order in which the purchase money Property was acquired. If the purchase money Property was acquired at the same time, then payments will be applied in the order you select. No security interest will be terminated by application of this formula.

**Waivers.** I waive all claims for loss or damage caused by your acts or omissions where you acted reasonably and in good faith. I waive all rights I have now or in the future to a homestead or personal property exemption in the Property.

**Assumptions.** Someone buying the Property cannot assume the obligation. You may declare the entire balance of the Loan Agreement to be immediately due and payable upon the creation of, or contract for the creation of, a transfer or sale of the Property.

**Perfection of Security Interest.** I authorize you to file a financing statement covering the Property. I agree to comply with, facilitate, and otherwise assist you in connection with perfecting your security interest under the Uniform Commercial Code.

**Duties Toward Property.** I will protect the Property and your interest against any competing claim. Except as otherwise provided in this Loan Agreement, I will keep the Property in my possession at the address indicated in this Loan Agreement. I will keep the Property in good repair and use it only for personal, family, or household purposes. I will immediately inform you of any loss or damage to the Property. You have the right of reasonable access to inspect the Property.

I will keep books, records, and accounts about the Property and my assets in general, to which I will allow you reasonable access. I will pay all taxes and assessments levied or assessed against me or the Property. I will not sell, lease, license, or otherwise transfer or encumber the Property without your prior written consent. You do not authorize any sale or other disposition of the Property. Any sale or disposition you do not authorize will violate your rights.

If I pledge the Property to you (deliver the Property into your, or your designated third party's possession or control), I will, upon receipt, deliver any proceeds and products of the Property to you. I will provide you with any notices, documents, financial statements, reports, and other information relating to the Property I receive as the owner of the Property.

**Insurance.** I agree to keep the Property insured against the risks reasonably associated with the Property until the Property is released from this Security Agreement. I may provide the required insurance through an existing policy of insurance that I own or control, or through a policy that I buy. I have free choice in the selection of an insurance company, subject to applicable law. I will maintain this insurance in the amounts you require and have the insurance company name you as loss payee on any insurance policy. I will give you and the insurance company immediate notice of any loss. You may apply the insurance proceeds toward what is owed on the Secured Debts. If the insurance proceeds do not cover the amounts I owe you, I will pay the difference. You may require additional security as a condition of permitting any insurance proceeds to be used to repair or replace the Property. If you acquire the Property in damaged condition, my rights to any insurance policies and proceeds will pass to you to the extent of the Secured Debts. I will immediately notify you of cancellation or termination of insurance.

**Single Interest Insurance.** I may obtain single interest insurance from anyone I want that is acceptable to you. If I get the insurance from or through you I will pay \$\_\_\_\_\_ of coverage.

**Property Insurance.** I may obtain property insurance from anyone I want that is acceptable to you. If I get the insurance from or through you I will pay \$\_\_\_\_\_ for **60 MONTHS** of coverage.

I am required to maintain insurance on the Property to protect your interest. If I fail to maintain the required insurance, or fail to provide you with evidence of insurance, I understand and agree to the following.

- You may (but are not required to) place insurance on the Property to protect your interest, which will not cover my equity in the Property.
- The insurance you provide may be written by a company other than one I would choose and may be written at a higher rate than I could obtain if I purchased the insurance.
- I will pay for the costs of any Property insurance you provide.

**Authority to Perform.** I authorize you to do anything you deem reasonably necessary to protect the Property and your security interest in the Property. If I fail to perform any of my duties under this Loan Agreement, you are authorized, after providing me with any required notice and opportunity to perform, to perform the duties or cause them to be performed and add the costs of performance to the Secured Debts. These authorizations include, but are not limited to, permission to pay for the repair, maintenance, and preservation of the Property and taking any action to obtain or preserve the benefits and rights of the Property. Your authority to perform for me will not create an obligation to perform and your failure to perform will not preclude you from exercising any other rights under the law or this Security Agreement. If you come into actual or constructive possession of the Property, you will preserve and protect the Property to the extent required by law. Your duty of care with respect to the Property will be satisfied if you exercise reasonable care in the safekeeping of the Property or in the selection of a third party in possession of the Property.

**Third Party Agreement**

For the purposes of the provisions within this enclosure, *I, me or my* means the person signing below and *you* means the Lender identified in this Loan Agreement.

I agree to give you a security interest in the Property that is described in the Security Agreement section. I agree to the terms of this Loan Agreement, but I am in no way personally liable for payment of the debt. This means that if the Borrower defaults, my interest in the secured Property may be used to satisfy the Borrower's debt. I agree that you may, without releasing me or the Property from this Third Party Agreement and without notice or demand upon me, extend new credit to any Borrower, renew or change this Loan Agreement one or more times and for any term, or fail to perfect your security interest in, impair, or release any security (including guaranties) for the obligations of any Borrower.

I have received a completed copy of this Loan Agreement.

X \_\_\_\_\_

**Federal Sale of Insurance Disclosure**

Product refers to any insurance product or annuity I purchase from you. With regard to any Product I purchase from you, the following apply.

- The Product is not a deposit account or other obligation of any depository institution or any affiliate of any depository institution.
- The Product is not guaranteed or insured by any depository institution or any affiliate of any depository institution.
- The Product is not insured by the Federal Deposit Insurance Corporation (FDIC).
- The Product, except in the case of Federal Flood Insurance or Federal Crop Insurance, is not insured by any federal government agency.
- If this box is checked, there is investment risk associated with the Product, including the possible loss of value.

By signing, I acknowledge that I have received a copy of this disclosure on today's date. Unless these disclosures are provided electronically or I have purchased the Product by mail, I also acknowledge that you have provided these disclosures to me orally.

X \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ Date \_\_\_\_\_

X \_\_\_\_\_ Date \_\_\_\_\_

**NOTICE TO COSIGNER**

You (the cosigner) are being asked to guaranty this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You also may have to pay late fees or collection costs, which increase this amount.

The creditor can collect this debt from you without first trying to collect from the borrower. The creditor can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become part of your credit record.

This notice is not the contract that makes you liable for the debt.

Attach FTC "Preservation of Consumer Claims and Defenses" Notice if Applicable.

**Signatures**

By signing, I agree to the terms contained in this Loan Agreement. I also acknowledge receipt of a copy of this Loan Agreement on today's date.

Cosigners. See Notice to Cosigner above before signing.

X \_\_\_\_\_  
STUDENT A. LOAN

X \_\_\_\_\_

X \_\_\_\_\_

(Optional)  
Signed \_\_\_\_\_ For Lender  
Title SR. VICE PRESIDENT

**Insurance**

**Credit Insurance.** Credit life, credit accident and sickness (disability), and any other insurance coverage quoted below, are not required to obtain credit and you will not provide them unless I sign and agree to pay the additional premium. If I want such insurance, you will obtain it for me (if I qualify for coverage). You are quoting below ONLY the coverages I have chosen to purchase.

|   |         |          |
|---|---------|----------|
| <b>Credit Life</b>  | Premium | \$ _____ |
| <input type="checkbox"/> Single <input type="checkbox"/> Joint <input checked="" type="checkbox"/> None | Term    | _____    |
| <b>Credit Disability</b>  | Premium | \$ _____ |
| <input type="checkbox"/> Single <input type="checkbox"/> Joint <input checked="" type="checkbox"/> None | Term    | _____    |
|   | Premium | \$ _____ |
| <input type="checkbox"/> Single <input type="checkbox"/> Joint <input type="checkbox"/> None            | Term    | _____    |

**Signature.** My signature below means I want (only) the insurance coverage(s) quoted above. If "None" is checked, I have declined the coverage you offered.

X \_\_\_\_\_ DOB \_\_\_\_\_

X \_\_\_\_\_ DOB \_\_\_\_\_

X \_\_\_\_\_ DOB \_\_\_\_\_



**GUARANTOR NAME AND ADDRESS**

INDUSTRIAL ARTS INSTITUTE, INC  
1234567 W MAIN ST  
SAULT STE MARIE, MI 49783

**LENDER NAME AND ADDRESS**

CENTRAL SAVINGS BANK  
511 BINGHAM AVENUE  
SAULT STE MARIE, MI 49783

Number 111111-102

Amount 15,100.00

Date FEBRUARY 21, 2017

**GUARANTY**

**DATE.** The date of this Guaranty is 02-21-2017

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and to induce Lender (with its participants, successors and assigns), at its option, at any time or from time to time to make loans or extend other accommodations to or for the account of STUDENT A. LOAN

(Borrower) or to engage in any other transactions with Borrower, the Guarantor hereby absolutely and unconditionally guarantees to the Lender the full and prompt payment when due, whether at maturity or earlier by reason of acceleration or otherwise, of the debts, liabilities and obligations described as follows:

**INDEBTEDNESS.**

**Specific Debts.** The Guarantor guarantees to Lender the payment and performance of the debt, liability or obligation of Borrower to Lender evidenced by or arising out of the following: \_\_\_\_\_ and any extensions, renewals or replacements thereof (Indebtedness).

**All Debts.** Except as this Guaranty may otherwise provide, the Guarantor guarantees to Lender the payment and performance of each and every debt, liability and obligation of every type and description which Borrower may now or at any time hereafter owe to Lender (whether such debt, liability or obligation now exists or is hereafter created or incurred, and whether it is or may be direct or indirect, due or to become due, absolute or contingent, primary or secondary, liquidated or unliquidated, or joint, several, or joint and several; all such debts, liabilities and obligations (Indebtedness)). Without limitation, this Guaranty includes the following described debt(s): \_\_\_\_\_

**Exclusions.**

Guarantor will be liable for \$ \_\_\_\_\_ of the principal amount of the Indebtedness outstanding at default and for all of the accrued interest, and the expenses of collection, enforcement or protection of Lender's rights and remedies under this Guaranty, including reasonable attorneys' fees.

Guarantor's liability will not exceed \_\_\_\_\_ % of the Indebtedness outstanding at default and all of the accrued interest, and the expenses of collection, enforcement or protection of Lender's rights and remedies under this Guaranty, including reasonable attorneys' fees.

Indebtedness Excludes: \_\_\_\_\_

**SECURITY.**

the Guaranty is unsecured.

secured by \_\_\_\_\_

**IL only**  **CONFESSION OF JUDGMENT.** If Guarantor defaults, it authorizes any attorney to appear in a court of record and confess judgment against it in favor of Lender. The confession of judgment may be without process and for any amount due on this Guaranty including collection costs and reasonable attorneys' fees.

**PA only**  **WARRANT OF AUTHORITY TO CONFESS JUDGMENT.** Upon default, in addition to all other remedies and rights available to Lender, by signing below Guarantor irrevocably authorizes the prothonotary, clerk, or any attorney to appear in any court of record having jurisdiction over this matter and to confess judgment against Guarantor at any time without stay of execution. Guarantor waives notice, service of process and process. Guarantor agrees and understands that judgment may be confessed against Guarantor for any unpaid principal, accrued interest and accrued charges due on this Note, plus collection costs and reasonable attorneys' fees up to 15 percent of the judgment. The exercise of the power to confess judgment will not exhaust this warrant of authority to confess judgment and may be done as often as Lender elects. Guarantor further understands that Guarantor's property may be seized without prior notice to satisfy the debt owed. Guarantor knowingly, intentionally, and voluntarily waives any and all constitutional rights Guarantor has to pre-deprivation notice and hearing under federal and state laws and fully understands the consequences of this waiver.

By signing immediately below, Guarantor agrees to the terms of the **WARRANT OF AUTHORITY TO CONFESS JUDGMENT** section.

**SIGNATURES.** By signing under seal, Guarantor agrees to the terms contained in this Guaranty (including those on page 2). Guarantor also acknowledges receipt of a copy of this Guaranty.

**GUARANTOR:**

INDUSTRIAL ARTS INSTITUTE, INC

Entity Name (Seal)

Name, Title (Seal)

Name, Title (Seal)

## ADDITIONAL PROVISIONS

The Guarantor further acknowledges and agrees with Lender that:

1. No act or thing need occur to establish the liability of the Guarantor hereunder, and no act or thing, except full payment and discharge of all Indebtedness, shall in any way exonerate the Guarantor or modify, reduce, limit or release the liability of the Guarantor hereunder.

2. This is an absolute, unconditional and continuing Guaranty of payment of the Indebtedness and will continue to be enforceable against the Guarantor, whether or not all Indebtedness is paid in full, until this Guaranty is revoked by written notice actually received by the Lender. Any revocation shall not be effective as to any Indebtedness existing or committed to at the time of actual receipt of notice by the Lender, or as to any renewals, extensions and refinancings thereof.

The Guarantor represents and warrants to the Lender that the Guarantor has a direct and substantial economic interest in Borrower and expects to derive substantial benefits therefrom and from any loans and financial accommodations resulting from the creation of Indebtedness guaranteed hereby, and that this Guaranty is given for a business purpose. The Guarantor agrees to rely exclusively on its right to revoke this Guaranty prospectively as to future transactions by written notice actually received by Lender if at any time the benefits then being received by the Guarantor in connection with this Guaranty are not sufficient to warrant its continuance as a Guarantor as to future Indebtedness. Accordingly, the Lender may rely conclusively on a continuing warranty, hereby made, that the Guarantor continues to be benefited by this Guaranty and that the Lender has no duty to inquire into or confirm the receipt of any benefits, and that this Guaranty will be enforceable without regard to the receipt, nature or value of any such benefits.

3. If the Guarantor is dissolved or becomes insolvent, however defined, or revokes this Guaranty, then the Lender has the right to declare the full amount of all Indebtedness immediately due and payable, and the Guarantor will forthwith pay the Lender. If the Guarantor voluntarily commences or there is commenced involuntarily against the Guarantor a case under the United States Bankruptcy Code, the full amount of all Indebtedness, whether due and payable or unmatured, will become immediately due and payable without demand or notice thereof.

4. The Guarantor will be liable for all Indebtedness, without any limitation as to amount, plus accrued interest thereon and all other costs, fees, and expenses agreed to be paid under all agreements evidencing the Indebtedness and securing the payment of the Indebtedness, and all attorneys' fees, collection costs and enforcement expenses referable thereto. Indebtedness may be created and continued in any amount, whether or not in excess of such principal amount, without affecting or impairing the liability of the Guarantor hereunder. The Lender may apply any sums received by or available to the Lender on account of the Indebtedness from Borrower or any other person (except the Guarantor), from their properties, out of any collateral security or from any other source to payment of the excess. Such application of receipts will not reduce, affect or impair the liability of the Guarantor hereunder. If the liability of the Guarantor is limited pursuant to this paragraph 4, any payment made by the Guarantor under this Guaranty will be effective to reduce or discharge its liability only if accompanied by a written transmittal document, received by the Lender, advising that such payment is made under this Guaranty for that purpose.

5. The Guarantor will pay or reimburse the Lender for all costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by the Lender in connection with the protection, defense or enforcement of this Guaranty in any litigation or bankruptcy or insolvency proceedings.

6. Whether or not any existing relationship between the Guarantor and Borrower has been changed or ended and whether or not this Guaranty has been revoked, the Lender may, but shall not be obligated to, enter into transactions resulting in the creation or continuance of Indebtedness, without any consent or approval by the Guarantor and without any notice to the Guarantor. The liability of the Guarantor will not be affected or impaired by any of the following acts or things (which the Lender is expressly authorized to do, omit or suffer from time to time, both before and after revocation of this Guaranty, without notice to or approval by the Guarantor): (i) any acceptance of collateral security, Guarantors, accommodation parties or sureties for any or all Indebtedness; (ii) any one or more extensions or renewals of Indebtedness (whether or not for longer than the original period) or any modification of the interest rates, maturities or other contractual terms applicable to any Indebtedness; (iii) any waiver, adjustment, forbearance, compromise or indulgence granted to Borrower, any delay or lack of diligence in the enforcement of Indebtedness, or any failure to institute proceedings, file a claim, give any required notices or otherwise protect any Indebtedness; (iv) any full or partial release of, settlement with, or agreement not to sue, Borrower or any other Guarantor or other person liable in respect of any Indebtedness; (v) any discharge of any evidence of Indebtedness or the acceptance of any instrument in renewal thereof or substitution therefor; (vi) any failure to obtain collateral security (including rights of setoff) for Indebtedness, or to see to the proper or sufficient creation and perfection thereof, or to establish the priority thereof, or to protect, insure, or enforce any collateral security; or any release, modification, substitution, discharge, impairment, deterioration, waste, or loss of any collateral security; (vii) any foreclosure or enforcement of any collateral security; (viii) any transfer of any Indebtedness or any evidence thereof; (ix) any order of application of any payments or credits upon Indebtedness; (x) any election by the Lender under §1111(b)(2) of the United States Bankruptcy Code.

7. The Guarantor waives any and all defenses, claims and discharges of Borrower, or any other obligor, pertaining to Indebtedness, except the defense of discharge by payment in full. Without limiting the generality of the foregoing, the Guarantor will not assert, plead or enforce against the Lender any defense of waiver, release, estoppel, statute of limitations, res judicata,

statute of frauds, fraud, forgery, incapacity, minority, usury, illegality or unenforceability which may be available to Borrower or any other person liable in respect of any Indebtedness, or any setoff available against the Lender to Borrower or any such other person, whether or not on account of a related transaction. The Guarantor expressly agrees that the Guarantor will be liable, to the fullest extent permitted by applicable law, for any deficiency remaining after foreclosure of any mortgage or security interest securing Indebtedness, whether or not the liability of Borrower or any other obligor for such deficiency is discharged pursuant to statute or judicial decision. The Guarantor shall remain obligated, to the fullest extent permitted by law, to pay such amounts as though Borrower's obligations had not been discharged.

8. The Guarantor further agree(s) that Guarantor will be obligated to pay Indebtedness even though any other person obligated to pay Indebtedness, including Borrower, has such obligation discharged in bankruptcy or otherwise discharged by law. "Indebtedness" shall include post-bankruptcy petition interest and attorneys' fees and any other amounts which Borrower is discharged from paying or which do not accrue to Indebtedness due to Borrower's discharge, and Guarantor will be obligated to pay such amounts as fully as if Borrower's obligations had not been discharged.

9. If any payment applied by the Lender to Indebtedness is thereafter set aside, recovered, rescinded or required to be returned for any reason (including, without limitation, the bankruptcy, insolvency or reorganization of Borrower or any other obligor), the Indebtedness to which such payment was applied will for the purposes of this Guaranty be deemed to have continued in existence, notwithstanding such application, and this Guaranty will be enforceable as to such Indebtedness as fully as if such application had never been made.

10. Until the obligations of the Borrower to Lender have been paid in full, the Guarantor waives any claim, remedy or other right which the Guarantor may now have or hereafter acquire against Borrower or any other person obligated to pay Indebtedness arising out of the creation or performance of the Guarantor's obligation under this Guaranty, including, without limitation, any right of subrogation, contribution, reimbursement, indemnification, exoneration or any right to participate in any claim or remedy the Guarantor may have against the Borrower, collateral, or other party obligated for Borrower's debt, whether or not such claim, remedy, or right arises in equity, or under contract, statute or common law.

11. The Guarantor waives presentment, demand for payment, notice of dishonor or nonpayment, and protest of any instrument evidencing Indebtedness. The Lender will not be required first to resort for payment of the Indebtedness to Borrower or other persons or their properties, or first to enforce, realize upon or exhaust any collateral security for Indebtedness, before enforcing this Guaranty.

12. The liability of the Guarantor under this Guaranty is in addition to and is cumulative with all other liabilities of the Guarantor to the Lender as Guarantor or otherwise, without any limitation as to amount, unless the instrument or agreement evidencing or creating such other liability specifically provides to the contrary.

13. To induce Lender to enter into the Loan, Guarantor makes these representations and warranties for as long as Guaranty is in effect. Guarantor is duly organized, validly existing and in good standing under the laws in the jurisdiction where Guarantor was organized and is duly qualified, validly existing and in good standing in all jurisdictions in which Guarantor operates or Guarantor owns or leases property. Guarantor has the power and authority to enter into this transaction and to carry on Guarantor's business or activity as now conducted. The execution, delivery and performance of this Guaranty and the obligation evidenced by this Guaranty are within Guarantor's duly authorized powers; have received all necessary governmental approval; will not violate any provision of law or order of court or governmental agency; and will not violate any agreement to which Guarantor is a party or to which Guarantor is or any of Guarantor's property is subject. Other than previously disclosed in writing to Lender, Guarantor has not changed Guarantor's name or principal place of business within the last ten years and has not used any other trade or fictitious name. Without Lender's prior written consent, Guarantor does not and will not use any other name and will preserve Guarantor's existing name, trade names and franchises. Guarantor owns or leases all property that Guarantor needs to conduct Guarantor's business and activities. All of Guarantor's property is free and clear of all liens, security interests, encumbrances and other adverse claims and interests, except those Lender previously agreed to in writing. Guarantor is not violating any laws, regulations, rules, orders, judgments or decrees applicable to Guarantor or Guarantor's property, except for those that Guarantor is challenging in good faith through proper proceedings after providing adequate reserves to fully pay the claim and its challenge should Guarantor lose.

14. This Guaranty is effective upon delivery to the Lender, without further act, condition or acceptance by the Lender. It will be binding upon the Guarantor and the successors and assigns of the Guarantor and will inure to the benefit of the Lender and its participants, successors and assigns. If there be more than one Guarantor, all agreements and promises herein shall be construed to be, and are hereby declared to be, joint and several in each and every particular and shall be fully binding upon and enforceable against either, any or all the Guarantors. Any invalidity or unenforceability of any provision or application of this Guaranty will not affect other lawful provisions and application hereof, and to this end the provisions of this Guaranty are declared to be severable. Except as allowed by the terms herein, this Guaranty may not be waived, modified, amended, terminated, released or otherwise changed except by a writing signed by the Guarantor and the Lender. This Guaranty shall be governed by the laws of the State in which it is executed. The Guarantor waives notice of the Lender's acceptance hereof.