

CALL OPTION DEFINITION

Some Olympia Credit Union Mortgages or consumer loans may have an interest rate call option. This date means Olympia Credit Union could do one of the following:

1. The credit union could adjust the interest rate up or down. The payment amount may be adjusted to keep the same maturity date of the original amortized term of the loan. This rate and payment adjustment is at the discretion of the Credit Union based on the current financial market.
2. The Credit Union could demand the balance of the loan be paid in full upon the call date. This could be paid by cash on hand, a refinance internally for another mortgage program offered by the Credit Union or externally to move the owed balance to another mortgage company. That means there may be fees that would need to be paid for the new mortgage loan. Demanding the balance owed will be at the discretion of the Credit Union based on the current financial market, the loan payment history and other factors.
3. The Credit Union could opt to make no changes to the rate or payment and simply extend the call option date. If the call option date is extended, the credit union does not lose the right to exercise the other options upon the new call date.

Upon the call option date the Credit Union will require you to sign a Modification Agreement that will disclose any changes to your loan as described above. If you do not sign this modification, the original terms of the mortgage or loan will be enforced calling the loan due and payable in full.

The changes to the loan if any are solely at the discretion of the credit union.