

SmartChoice Credit FAQ

Is there a limit on the amount of the loan? – The loan can be as little as \$250.00 dollars and can be as high as \$7,000.00. If the loan needs to be a higher amount the applicant would need to come into LOC to apply. The member would take care of their lending needs directly with LOC, and the merchant will no longer be involved

How hard will it be for me to obtain a loan with LOC Federal Credit Union? – We will process your application as soon as it gets to LOC from your merchant. We will have to verify you qualify for membership; you will need to open account. We will review your loan request, obtain any necessary documentation and get your lending answers to you in an expedited manner.

Is there a minimum credit score that a potential member would have to have to qualify for a loan? – There are many other factors that we look at besides a score. Someone with a low score may be strong in several other areas and we may be able approve the loan.

What is the maximum term on the loan? – The longest term available is 48 months

If I choose to pay the loan off early is there a prepayment penalty? – There is not a prepayment penalty and the loan can be paid off at any time.

When would my first payment be due? – LOC's SmartChoice Credit loans are due the last day of the month. If you close on your loan in May your first payment would be due on June 30th. Even if the goods and services have not been received or the procedure has not been performed. Your new loan with LOC begins the day that you close. Your payments will be due on the last day of each month; however you will not receive any late fees until after the 15th day.

Do I need to become a member of the Credit Union? – Yes you would need to qualify to join – anyone who lives, works, worships or attends school in Livingston or South West Oakland County are eligible for membership; also eligible are immediate family members. Upon qualification you will need to open a savings account with a minimum deposit and balance of \$5.00, it is a very simple process to become a member of LOC Federal Credit Union.

Farmington Office: 22981 Farmington Road, Farmington, MI 48336 • Phone 248.474.2200 • Fax 248.473.8244

Hartland Office: 10002 Highland Road, Hartland, MI 48353 • Phone 810.632.3222 • Fax 810.632.3111

Howell Office: 3020 E. Grand River Avenue, Howell, MI 48843 • Phone 517.546.8390 • Fax 517.546.8369

Can I open a checking account and switch my accounts to LOC? – Yes! We offer checking accounts, savings accounts, debit cards, Home Banking with free online bill pay, direct deposit, additional lending options and many other exciting services for the whole family.

Can I add more to my loan at a later date? – This loan is considered a closed end loan. It is not a line of credit and the amount of the loan is fixed and cannot be changed after it has been closed. You can always apply for additional loans whenever the need arises; LOC offers many different lending products to suite your needs.

Could the loan be sold to another lender? –LOC does not sell any of its loans at this time.

How is my interest rate determined? – LOC uses risk based lending. This means that we base your interest rate on your credit score. The best rate that we offer at this time is 8.90% and that is with an Experian Credit Score of 720 or above.

What if I do not want to apply for my loan at LOC with a merchant? – There are multiple, convenient ways to apply for a loan and obtain membership with LOC Federal Credit Union. You can apply online at www.locfederal.com, apply over the phone simply call (800) 837-4562 or (248) 474-2200, or come into any one of our branch locations. We are open Monday through Thursday 9:30 AM to 5:00 PM Friday 9:30 AM to 6:00 PM. LOC Hartland Branch is also open on Saturday from 9:00 AM to 12:00 PM. The SmartChoice is yours, whatever is the most comfortable option for you to take advantage of.

Thank you for allowing LOC Federal Credit Union and SmartChoice Credit to assist you with your financial needs!

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