

## Family Line of Credit Customer FAQs

### **What is a Family Line of Credit?**

The Family Line of Credit is an open-end line of credit that offers increased flexibility to cover those unexpected expenses that come up during the course of college.

The Family Line of Credit has a \$500 minimum credit limit up to \$15,000. You can take cash advances in any amount up to your available credit limit. You can also re-borrow, up to your available credit limit, as payments are made.

The size of each cash advance determines the manner in which it is repaid. Cash advances of \$1,000 or greater are repaid in monthly installment payments over a period of 24 months (available on approved lines of \$1,000 or more). Cash advances of less than \$1,000 are part of a revolving balance with a monthly minimum payment, similar to a credit card.

### **How can I apply for a Family Line of Credit?**

Apply online at [commercebank.com/familyline](http://commercebank.com/familyline).

### **Can I apply for a Family Line of Credit without taking an immediate cash advance?**

Yes. You can maintain a Family Line of Credit with a zero balance until you have a need to borrow.

### **Will I receive written notification after I apply?**

Yes. If approved, you will receive an account opening packet in the mail within approximately 7-10 business days with disclosures, account agreement, and your convenience checks.

If declined, you will receive a letter in the mail within approximately 5 business days.

### **How quickly can I access my approved Family Line of Credit?**

You can access funds from your approved Family Line of Credit account once you receive your account opening packet with your convenience checks, typically 7 to 10 business days from the date your Family Line of Credit is approved.

### **What will my Annual Percentage Rate (APR) be?**

Your APR is based on your creditworthiness when you open your account and will be provided to you upon approval. The APR is variable.

### **How are the payments on the Family Line of Credit calculated?**

Each cash advance of \$1,000 or greater has equal monthly payments of principal and interest calculated over 24 months. Each cash advance of less than \$1,000 will be part of a revolving balance with a monthly minimum payment, similar to a credit card.

### **Can I select my payment date?**

The payment due date is automatically assigned at account opening. The due date will appear on your first statement. After you have made your first payment, you can call us at 1-800-645-2103 and request a change in your payment due date.

### **Can I set the number of installment payments for less than 24 months?**

No. Installment payments on each cash advance of \$1,000 or greater are automatically set up for 24 months.

### **How are my payments applied?**

Payments are automatically applied in the following order:

1. Interest and principal due on each monthly installment payment;
2. Interest and fees due on the revolving balance portion of your account;
3. Remaining portion of the revolving balance; and
4. Then to the installment principal balance.

### **Can I designate what portion of my payment goes to the installment portion or to the revolving balance?**

No. Because of the manner in which payments are applied, any revolving balance and related fees must be completely paid before you can make an additional payment on the installment portion of your account.

You can pay off the entire balance early without any penalty.

### **What happens to the installment portion if the variable rate changes?**

The installment payment remains the same for the first 23 months. Your final payment may vary and will be for all outstanding principal and all accrued interest not yet paid.

### **If I decide that I need to borrow more after my Family Line of Credit is approved, can my credit limit be increased?**

Unfortunately, we cannot increase your credit limit at that time. However, you can apply at any time for an additional Family Line of Credit.

Total combined maximum credit limit allowed per customer is \$15,000.

### **As my revolving balance and installment portion are paid down, can I reuse my Family Line of Credit?**

Yes. As you make payments on your account, the amount available on your credit line increases and will be available for use, up to your credit limit.