



### **Emergency Loan Program**

1. XYZ Company (hereafter referred to as "Company") will identify employees who may benefit from an income advance loan from the River Valley Credit Union (hereafter referred to as Credit Union). The Company shall use either their Human Resources Department (or business owner) or Employees Assistance Program Coordinator to make the initial contact on behalf of the employee in order to assure a qualified need. To be eligible, the employee must have a minimum of one year of solid employment with the current employer and with the expectation of continued employment. The exception would be if the employee has no less than 90 days with the current employer and has a solid, proven work history of at least one year with a previous employer.
2. All referred employees who meet the above criteria will be approved for this service regardless of their credit history unless there is a previous charge-off or severe delinquency with the Credit Union.
3. To initiate a referral, the Company or EAP representative will fax a request to the loan department @ 802-254-6957. In its fax, the Company will include the employee's name, address, date of birth, social security number, phone number(s), annual gross income, the hardship criteria and the amount of funds being requested. The proposed repayment schedule, through payroll deduction only, will also be included based upon the guideline in number 4 below.
4. The repayment schedule shall be as follows:  
\$501 to \$750, no more than 12 months  
\$250 to \$500, no more than 9 months  
Less than \$250, no more than 6 months
5. The Credit Union will schedule an appointment for the employee to open an account and close on the income advance loan up to \$750. The employee must provide photo identification and open a regular share account with a minimum balance of \$25 if not already a member of the Credit Union. The \$25 can be funded with the loan. The loan proceeds check(s) will be made payable to the service provider with a reference to the member (employee) in the memo line.

6. During the closing, the Credit Union will attempt to identify other opportunities to assist the employee with credit stabilization as needed.
7. After the closing, the Credit Union will: 1) confirm the loan by email with the Company; 2) fax a copy of the employees payroll deduction (direct deposit) authorization form with the weekly/bi-weekly payment amount; and 3) the first payment due date. The Company will set-up a payroll deduction from the employee to the Credit Union for the payment amount.
8. The Credit Union will meet at least annually with the Company to monitor the program's progress and make modifications as agreed upon by both organizations.
9. The annual fee paid by the Company to the Credit Union will be as follows for the number of employees employed:  
\$50 for 1 to 10 employees;  
\$100 for 11 to 20; \$150 for 21 to 30; \$200 for 31 to 40;  
\$250 for 41 to 50; \$300 for 51 to 60; \$350 for 61 to 70; \$400 for 71 to 80; \$450 for 81 to 90 and \$500 for 91 and above.
10. The Company will split 50/50 with the Credit Union any defaults in excess of their annual fee paid to the Credit Union in number 9 above for loans to their employees under this program.
11. The loans will be interest free. The Credit Union reserves the right to charge interest rate on future loans under this program. The amount of total funds to be available under this program will be determined by the Board of Directors of the Credit Union. The Credit Union reserves the right to suspend the program, at any time, if it feels conditions so warrant.
12. The proceeds from this emergency loan program are for true one time emergencies and is not intended to pay for heating fuel. The Credit Union has other loan programs for this purpose.

XYZ Company

River Valley Credit Union

By: \_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_  
Print name/title

\_\_\_\_\_  
Print name/title

Date:

Date: