



EASYLOCK LINE OF CREDIT

This disclosure contains important information about our EasyLock Line of Credit. You should read it carefully and keep a copy for your records.

1. **AVAILABILITY OF TERMS.** All of the terms described below are subject to change. If these terms change (other than the annual percentage rate), and you decide, as a result, not to enter into an agreement with us, you are entitled to a refund of any fees that you have paid to us or anyone else in connection with your application.
2. **SECURITY INTEREST.** We will take a security interest in your home. You could lose your home if you do not meet the obligations in your agreement with us.
3. **POSSIBLE ACTIONS.** Under certain circumstances, we can:
 - A. Terminate your line of credit and require you to pay us the entire outstanding balance in one payment;
 - B. Refuse to make additional extensions of credit; and
 - C. Reduce your credit limit.

We can terminate your line of credit and require you to pay us the entire outstanding balance in one payment if:

- A. You engage in fraud or material misrepresentation in connection with the line of credit;
- B. You fail to make a payment as required by the agreement; or
- C. Your action or inaction adversely affects the collateral or our rights of the collateral.

We can refuse to make additional extensions of credit or reduce your credit limit if:

- A. The value of the dwelling securing the line of credit declines significantly below its appraised value for purposes of the line of credit;
- B. We reasonably believe you will not be able to meet the repayment requirements under the line of credit due to a material change in your financial circumstances;
- C. You are in default of a material obligation of the agreement;
- D. Government action prevents us from imposing the annual percentage rate provided for in the agreement, or impairs our security interest such that the value of the interest is less than 120 percent of the credit limit on the line of credit;
- E. A regulatory agency has notified us that continued advances would constitute an unsafe and unsound practice; or
- F. The maximum annual percentage rate is reached.

4. **MINIMUM PAYMENT REQUIREMENTS.** You can obtain credit advances for 180 months. During this period, payments will be due monthly. Your minimum monthly payment will equal the following:

* The amount of accrued finance charges on the last day of the billing cycle.

The minimum payment amount will be rounded to the nearest \$.01. The minimum monthly payments will not reduce the principal that is outstanding on your line of credit by the end of 180 months. You will then be required to pay the entire balance in a single payment.

5. **MINIMUM PAYMENT EXAMPLE.** If you made only the minimum monthly payment and took no other credit advances, it would take 15 years to pay off a credit advance of \$10,000.00 at an ANNUAL PERCENTAGE RATE of 7.500%. During that period, you would make 179 payments of \$62.50 with a final payment of \$10,062.50.

6. **FEES AND CHARGES.** To open and maintain a line of credit, you must pay the following fees to us:

- * Closing Document Fee: \$125.00
- * Late Charge: If a payment is more than 15 days late, you will be charged 10.000 percent of the payment or \$20.00, whichever is greater.
- * Over the Limit Charge: \$35.00 per occurrence
- * Returned Check Charges: \$35.00 per occurrence
- * Stop Payment: \$30.00 per occurrence
- * Overdraft Transfer Fee: \$6.00 per transfer, transferred in \$100.00 increments
- * Early Termination Fee: If closed within 24 months from contract date, 2% of the initial credit limit early termination fee applies.
- * Mortgage Satisfaction: \$196.00 subject to change and due at loan termination
- * Payoff Request: \$25 per request of a printed payoff quote

Note that some fees may only apply upon the occurrence of an event and have been provided for informational purposes only.

You may also pay certain fees to third parties, such as appraisers and title companies if necessary. These fees generally total \$850.00. The following are an estimate of third-party fees:

* Appraisal: \$800.00 (estimate), if necessary

* Appraisal Review Fee: \$50.00, if necessary

* Title Insurance: \$2,500, if necessary

• Cost is just an estimate based off of a \$250,000 loan, actual title costs may vary.

7. **REFUNDABILITY OF FEES.** If you decide not to enter into this plan within three business days of receiving this disclosure and the home equity brochure, you are entitled to a refund of any fee(s) you may have already paid.
8. **MINIMUM DRAW REQUIREMENTS.** The minimum credit advance is \$250.00.
9. **TAX DEDUCTIBILITY.** You should consult a tax advisor regarding the deductibility of interest and charges for the line of credit.
10. **VARIABLE RATE FEATURES.** This line of credit has a variable rate feature and the annual percentage rate (corresponding to the periodic rate) and the minimum monthly payment can change as a result. The annual percentage rate includes only interest and no other costs. The annual percentage rate is based on the value of an index. The index is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks known as the Wall Street Journal U.S. Prime Rate and is published daily in the Wall Street Journal. To determine the annual percentage rate that will apply to your line of credit, we add a margin to the value of the index and then round to the nearest .01 percent. The initial annual percentage rate is a specific value - it is not based on the index and margin used for later rate adjustments. The initial rate will be in effect for 6 months. Ask us for the current index value, margin, initial rate and annual percentage rate. After you open a line of credit, rate information will be provided on periodic statements that we send you.
11. **RATE CHANGES.** The annual percentage rate can change daily after remaining fixed for 6 months. There is no limit on the amount by which the rate can change in any one-year period. The maximum ANNUAL PERCENTAGE RATE that can apply during the line of credit is 18.000 percent. The minimum ANNUAL PERCENTAGE RATE that can apply during the line of credit is 3.490 percent.
12. **MAXIMUM RATE AND PAYMENT EXAMPLES.** If you had an outstanding balance of \$10,000.00 the minimum monthly payment at the maximum ANNUAL PERCENTAGE RATE of 18.000 percent would be \$150.00. The maximum annual percentage rate could be reached in the 1st month (1 month) following an initial hold of 6 months.
13. **CONVERSION OPTION.** This plan includes an option to convert the interest rate from a variable rate to a fixed rate ("conversion option"). An exercised conversion option results in a fixed rate term loan for the designated balance (a "Lock"). The conversion option is subject to the following terms and conditions:
 - A. **Balance.** You may exercise the conversion option against the following balances: Outstanding Balance on EasyLock Line of Credit with Minimum Lock of \$3,500.00. An EasyLock Fixed Rate Election Form must be completed and submitted for all conversions.
 - B. **Conversion Period.** You may exercise the conversion option during the following periods: At any time during the Draw Period and any extension of the Draw Period. After the Draw Period ends or if you do not meet the repayment terms of this Credit Agreement you will not be able to exercise the option to convert to a fixed Annual Percentage Rate.
 - C. **Lock Number.** The number of Locks that you may create or have outstanding is subject to the following restrictions: 2 at one time; 5 Lock maximum during draw period.
 - D. **Lock Term.** The balance of a Lock will be paid over the following term: Minimum Term 12 Months, Maximum Term 180 Months provided the term does not exceed the maturity date of the agreement. A Lock must be held for at least 12 months before unlock/relock can occur.
 - E. **Lock Payment Method.** Payments on a Lock will be determined as follows: At the time you exercise the option to convert to a fixed Annual Percentage Rate, we will determine a minimum monthly payment applicable to that Lock. The minimum monthly payment will include both principal and interest and will be sufficient to repay the Lock in equal monthly installments of principal and interest over the term of the Lock. If you have more than one Lock outstanding, you will have to make minimum monthly payments with respect to each Lock. The minimum monthly payments due with respect to Locks will be in addition to the Minimum Payment due with respect to any balance under your credit line subject to a Variable Percentage Rate.
 - F. **Fixed Rate Determination.** Your annual percentage rate may increase if you exercise the conversion option.
14. **PROPERTY / FLOOD INSURANCE.** You may pay property and/or flood insurance from anyone you want who is reasonably acceptable to us in an amount equal to or greater than all liens.
15. **HISTORICAL EXAMPLES.** The following table shows how the annual percentage rate and the minimum payments for a single \$10,000.00 credit advance would have changed based on changes in the index over the last 15 years. The index values are from the first business day of January. While only one payment amount per year is shown, payments would have varied during each year. The table assumes that no additional credit advances were taken, that only the minimum payment was made, and that the rate remained constant during each year. It does not necessarily indicate how the index or your payments would change in the future.

YEAR	INDEX (%)	MARGIN (%)*	ANNUAL PERCENTAGE RATE (%)	MINIMUM MONTHLY PAYMENT (\$)
2011	3.250	0.500	3.750	31.25
2012	3.250	0.500	3.750	31.25
2013	3.250	0.500	3.750	31.25
2014	3.250	0.500	3.750	31.25
2015	3.250	0.500	3.750	31.25
2016	3.500	0.500	4.000	33.33
2017	3.750	0.500	4.250	35.42
2018	4.500	0.500	5.000	41.67
2019	5.500	0.500	6.000	50.00
2020	4.750	0.500	5.250	43.75
2021	3.250	0.500	3.750	31.25
2022	3.250	0.500	3.750	31.25
2023	7.500	0.500	8.000	66.67
2024	8.500	0.500	9.000	75.00
2025	7.500	0.500	8.000	66.67

* This is a margin we have used recently for borrowers with good credit and a low LTV, your margin may be different than shown.

** This rate reflects the lifetime minimum of 3.49%

----- THIS IS NOT A COMMITMENT TO MAKE A LOAN -----