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Home Equity Early Disclosure

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT PLAN

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

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 pay to us or anyone else in connection with your application.

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.

POSSIBLE ACTIONS: We can terminate your line, require you to pay us the entire outstanding balance in one payment, and charge you certain fees, if (1) you engage in fraud or material misrepresentation in connection with the plan; (2) you do not meet the repayment terms of this plan, or (3) your action or inaction adversely affects the collateral or our rights in the collateral.

We can refuse to make additional extensions of credit or reduce your credit limit if (1) any reasons mentioned above exist; (2) the value of the dwelling securing the line declines significantly below its appraised value for purposes of the line; (3) we reasonably believe that you will not be able to meet the repayment requirements due to a material change in your financial circumstances; (4) you are in default of a material obligation of the agreement; (5) government action prevents us from imposing the annual percentage rate provided for in the agreement; (6) the priority of our security interest is adversely affected by government action to the extent that the value of the security interest is less than 120 percent of the credit line; (7) a regulatory agency has notified us that continued advances would constitute an unsafe and unsound business practice, or (8) the maximum annual percentage rate is reached.

HOME EQUITY PLANS: We offer four plan options:

PLAN OPTION	PLAN DESCRIPTION
1	Equity Access Line Plan
2	80% LTV Plan
3	100% LTV Plan
4	Investor Plan

The above options have differences that are outlined below.

MINIMUM PAYMENT REQUIREMENTS:

PAYMENT INFORMATION:

DRAW PERIOD: You can obtain credit advances for 10 years. This period is called the "draw period." At our option, we may renew or extend the draw period.

ALL OPTIONS: The length of the repayment period will depend on the balance at the time of the last advance you obtain before the draw period ends, but will never be great than:

OPTION 1, 2 AND 3: 15 years

OPTION 4: 12 years

You will be required to make monthly payments during the draw and repayment periods. Your payment during the draw period will be 1.0% of the outstanding balance at the time you obtain an advance or \$100.00, whichever is greater. We will round the payment up to the nearest dollar. Your payment will include any amounts past due and any amount by which you have exceeded your credit limit, and all other charges.

If the interest rate increases so much that the minimum payment is not adequate to pay the accrued finance charges (interest) the minimum monthly payment will change as follows:

ANNUAL PERCENTAGE RATE IN EFFECT	PAYMENT AMOUNT
4.50% - 10.00%	1.00% of balance
10.01% - 12.00%	1.25% of balance
12.01% - 14.00%	1.50% of balance
14.01% - 16.00%	1.75% of balance
16.01% - 18.00%	2.00% of balance

If the interest rate decreases after we make an adjustment for negative amortization your payment will revert to the payment amount preceding the negative amortization adjustment.

REPAYMENT PERIOD: At the beginning of the repayment period we will recalculate your payment. Your payment will be set to repay the balance at the current annual percentage rate over the payoff period that corresponds with the plan option chosen above.

OPTION 1, 2 and 3: 15 year payoff period

OPTION 4: 12 year payoff period

Your payment will be rounded up to the nearest dollar. Each time the annual percentage rate changes, we will adjust your payment to repay the balance within the original payoff period corresponding to the plan option selected by you. Your payment will include any amounts past due and any amount by which you have exceeded your credit limit and all other charges. Your payment during the repayment period will never be less than the smaller of \$100.00 or the full amount that you owe.

MINIMUM PAYMENT EXAMPLE - OPTION 1: If you made only the minimum monthly payment and took no other credit advances it would take 13 years 2 months to pay off a credit advance of \$10,000 at an **ANNUAL PERCENTAGE RATE** of 7.5%. During that period, you would

make 120 payments of \$100.00, followed by 37 payments of \$100.00 and one (1) final payment of \$44.04.

MINIMUM PAYMENT EXAMPLE - OPTION 2: If you made only the minimum monthly payment and took no other credit advances it would take 13 years 10 months to pay off a credit advance of \$10,000 at an **ANNUAL PERCENTAGE RATE** of 8.0%. During that period, you would make 120 payments of \$100.00, followed by 45 payments of \$100.00 and one (1) final payment of \$36.27.

MINIMUM PAYMENT EXAMPLE - OPTION 3: If you made only the minimum monthly payment and took no other credit advances it would take 15 years 6 months to pay off a credit advance of \$10,000 at an **ANNUAL PERCENTAGE RATE** of 9.0%. During that period, you would make 120 payments of \$100.00, followed by 65 payments of \$100.00 and one (1) final payment of \$57.22.

MINIMUM PAYMENT EXAMPLE - OPTION 4: If you made only the minimum monthly payment and took no other credit advances it would take 18 years to pay off a credit advance of \$10,000 at an **ANNUAL PERCENTAGE RATE** of 10.0%. During that period, you would make 120 payments of \$100.00, followed by 95 payments of \$100.00 and one (1) final payment of \$99.35.

FEES AND CHARGES (ALL OPTIONS): In order to open, use and maintain a line of credit plan, you must pay the following fees to us:

Flood Zone Determination Fee: \$10.00 (Due at closing)

You must pay certain fees to third parties to open the plan. These fees generally total between \$900.00 and \$1,200.00. If you ask, we will provide you with an itemization of the fees you will have to pay third parties.

FEE REIMBURSEMENT (ALL OPTIONS): The lender may have paid some third party fees associated with this plan. Please refer to the Addendum provided at closing for an itemization of the third party fees paid by the borrower (if applicable), and those paid by the lender on the borrower's behalf. The borrower agrees to reimburse the lender the actual amount of bona fide third party fees paid on the borrower's behalf, as permitted by applicable law, if the home equity line of credit plan is closed within twenty four (24) months after plan opening.

PROPERTY INSURANCE (ALL OPTIONS): You must carry insurance on the property that secures this plan. If the property is located in a Special Flood Hazard Area we will require you to obtain flood insurance if it is available.

REFUNDABILITY OF FEES (ALL OPTIONS): 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 you may have already paid.

TRANSACTION REQUIREMENTS (ALL OPTIONS): The minimum credit advance that you can receive is \$100.00 for the first advance and \$100.00 for each subsequent advance.

TAX DEDUCTIBILITY (ALL OPTIONS): You should consult a tax advisor regarding the deductibility of interest and charges for the plan.

VARIABLE RATE FEATURE (ALL OPTIONS): This plan has a variable rate feature and the annual percentage rate (corresponding to the periodic rate) may change and you may be required to make more payments during the draw period, to make adjusted payments during the repayment period, and the amount of a balloon payment, if any, may

increase. 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 Prime Rate published in the Money Rates column of *The Wall Street Journal*. When a range of rates has been published the highest rate will be used. We will use the most recent index value available to us as of 30 days before the date of any annual percentage rate adjustment. To determine the annual percentage rate that will apply to your account, we add a margin to the value of the Index.

OPTIONS 1 and 2: From time to time we may offer an initial annual percentage rate that is "discounted" - it is not based on the index and margin used for later rate adjustments. If an initial annual percentage rate is discounted it will be in effect for 13 months for **OPTION 1** and 6 months for **OPTION 2**. Ask us for the current index value, margin, discount and annual percentage rate. After you open a plan, rate information will be provided on periodic statements that we send you.

RATE CHANGES: The annual percentage rate can change on the first day of each month. There is no limit on the amount by which the annual percentage rate can change during any one year period. The maximum **ANNUAL PERCENTAGE RATE** that can apply is:

9.50%: Plan Options 1 and 2

11.50%: Plan Option 3

13.50%: Plan Option 4

Or the maximum permitted by law, whichever is less.

However, under no circumstances will your **ANNUAL PERCENTAGE RATE** go below:

4.5%: Plan Options 1 and 2

5.5%: Plan Options 3

6.5%: Plan Options 4

MAXIMUM RATE AND PAYMENT EXAMPLES—Plan Option 1: If you had an outstanding balance of \$10,000 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 9.50% would be \$100.00. This annual percentage rate could be reached at the time of the 14th payment for the discounted plan and could be reached at the time of the 1st payment for the non-discounted plan. If you had an outstanding balance of \$10,000 during the repayment period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 9.50% would be \$105.00. This annual percentage rate could be reached at the time of the 1st payment.

MAXIMUM RATE AND PAYMENT EXAMPLES—Plan Option 2: If you had an outstanding balance of \$10,000 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 9.50% would be \$100.00. This annual percentage rate could be reached at the time of the 7th payment for the discounted plan and could be reached at the time of the 1st payment for the non-discounted plan. If you had an outstanding balance of \$10,000 during the repayment period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 9.50% would be \$105.00. This annual percentage rate could be reached at the time of the 1st payment.

MAXIMUM RATE AND PAYMENT EXAMPLES—Plan Option 3: If you had an outstanding balance of \$10,000 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of

11.50% would be \$100.00. This annual percentage rate could be reached at the time of the 1st payment. If you had an outstanding balance of \$10,000 during the repayment period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 11.50% would be \$117.00. This annual percentage rate could be reached at the time of the 1st payment.

MAXIMUM RATE AND PAYMENT EXAMPLES—Plan Option 4: If you had an outstanding balance of \$10,000 during the draw period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 13.50% would be \$175.00. This annual percentage rate could be reached at the time of the 1st payment. If you had an outstanding balance of \$10,000 during the repayment period, the minimum payment at the maximum **ANNUAL PERCENTAGE RATE** of 13.50% would be

\$141.00. This annual percentage rate could be reached at the time of the 1st payment.

HISTORICAL EXAMPLE: The following tables show how the annual percentage rate and the minimum payments for a single \$10,000 credit advance would have changed based on changes in the index over the past 15 years. The index values are as of the last business day of January of each year. While only one payment per year is shown, payments may have varied during each year. The tables assume that no additional credit advances were taken, that only the minimum payments were made, and that the rate remained constant during each year. It does not necessarily indicate how the index or your payments will change in the future.

WALL STREET JOURNAL PRIME RATE INDEX TABLE – OPTION 1: EQUITY ACCESS LINE

Year (as of the last business day of January)	Index (Percent)	Margin ⁽¹⁾ (Percent)	With Discount		Without Discount	
			ANNUAL PERCENTAGE RATE	Monthly Payment (Dollars)	ANNUAL PERCENTAGE RATE	Monthly Payment (Dollars)
2011.....	3.250	0.000	2.950 ⁽²⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2012.....	3.250	0.000	2.950 ⁽²⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2013.....	3.250	0.000	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2014.....	3.250	0.000	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2015.....	3.250	0.000	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2016.....	3.500	0.000	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2017.....	3.750	0.000	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2018.....	4.500	0.000	4.500	\$100.00	4.500	\$100.00
2019.....	5.500	0.000	5.500	\$100.00	5.500	\$100.00
2020.....	4.750	0.000	4.750	\$100.00	4.750	\$100.00
2021.....	3.250	0.000	4.500 ⁽³⁾	\$100.00 ⁽⁴⁾	4.500 ⁽³⁾	\$100.00 ⁽⁴⁾
2022.....	3.250	0.000	4.500 ⁽³⁾		4.500 ⁽³⁾	
2023.....	7.500	0.000	7.500		7.500	
2024.....	8.500	0.000	8.500		8.500	
2025.....	7.500	0.000	7.500		7.500	

⁽¹⁾ This is a margin we have used recently; your margin may be different.

⁽²⁾ This **ANNUAL PERCENTAGE RATE** reflects a discount that we have provided recently; your plan may be discounted by a different amount.

⁽³⁾ This **ANNUAL PERCENTAGE RATE** reflects a floor rate of 4.500%.

⁽⁴⁾ This payment reflects the minimum payment of \$100.00.

WALL STREET JOURNAL PRIME RATE INDEX TABLE – OPTION 2: 80% LTV

Year (as of the last business day of January)	Index (Percent)	Margin ⁽¹⁾ (Percent)	With Discount		Without Discount	
			ANNUAL PERCENTAGE RATE	Monthly Payment (Dollars)	ANNUAL PERCENTAGE RATE	Monthly Payment (Dollars)
2011.....	3.250	0.500	3.950 ⁽²⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2012.....	3.250	0.500	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2013.....	3.250	0.500	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2014.....	3.250	0.500	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2015.....	3.250	0.500	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2016.....	3.500	0.500	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2017.....	3.750	0.500	4.500 ⁽³⁾	\$100.00	4.500 ⁽³⁾	\$100.00
2018.....	4.500	0.500	5.000	\$100.00	5.000	\$100.00
2019.....	5.500	0.500	6.000	\$100.00	6.000	\$100.00
2020.....	4.750	0.500	5.250	\$100.00	5.250	\$100.00
2021.....	3.250	0.500	4.500 ⁽³⁾	\$100.00 ⁽⁴⁾	4.500 ⁽³⁾	\$100.00 ⁽⁴⁾
2022.....	3.250	0.500	4.500 ⁽³⁾		4.500 ⁽³⁾	
2023.....	7.500	0.500	8.000		8.000	
2024.....	8.500	0.500	9.000		9.000	
2025.....	7.500	0.500	8.000		8.000	

⁽¹⁾ This is a margin we have used recently; your margin may be different.

⁽²⁾ This **ANNUAL PERCENTAGE RATE** reflects a discount that we have provided recently; your plan may be discounted by a different amount.

⁽³⁾ This **ANNUAL PERCENTAGE RATE** reflects a floor rate of 4.500%.

⁽⁴⁾ This payment reflects the minimum payment of \$100.00.

WALL STREET JOURNAL PRIME RATE INDEX TABLE – OPTION 3: 100% LTV

Year (as of the last business day of January)	Index (Percent)	Margin ⁽¹⁾ (Percent)	ANNUAL PERCENTAGE RATE	Monthly Payment (Dollars)
2011.....	3.250	1.500	5.500 ⁽²⁾	\$100.00
2012.....	3.250	1.500	5.500 ⁽²⁾	\$100.00
2013.....	3.250	1.500	5.500 ⁽²⁾	\$100.00
2014.....	3.250	1.500	5.500 ⁽²⁾	\$100.00
2015.....	3.250	1.500	5.500 ⁽²⁾	\$100.00
2016.....	3.500	1.500	5.500 ⁽²⁾	\$100.00
2017.....	3.750	1.500	5.500 ⁽²⁾	\$100.00
2018.....	4.500	1.500	6.000	\$100.00
2019.....	5.500	1.500	7.000	\$100.00
2020.....	4.750	1.500	6.250	\$100.00
2021.....	3.250	1.500	5.500 ⁽²⁾	\$100.00 ⁽³⁾
2022.....	3.250	1.500	5.500 ⁽²⁾	\$100.00 ⁽³⁾
2023.....	7.500	1.500	9.000	
2024.....	8.500	1.500	10.000	
2025.....	7.500	1.500	9.000	

⁽¹⁾ This is a margin we have used recently; your margin may be different.

⁽²⁾ This **ANNUAL PERCENTAGE RATE** reflects a floor rate of 5.500%.

⁽³⁾ This payment reflects the minimum payment of \$100.00.

WALL STREET JOURNAL PRIME RATE INDEX TABLE – OPTION 4: INVESTOR – 70% LTV

Year (as of the last business day of January)	Index (Percent)	Margin ⁽¹⁾ (Percent)	ANNUAL PERCENTAGE RATE	Monthly Payment (Dollars)
2011.....	3.250	2.500	6.500 ⁽²⁾	\$100.00
2012.....	3.250	2.500	6.500 ⁽²⁾	\$100.00
2013.....	3.250	2.500	6.500 ⁽²⁾	\$100.00
2014.....	3.250	2.500	6.500 ⁽²⁾	\$100.00
2015.....	3.250	2.500	6.500 ⁽²⁾	\$100.00
2016.....	3.500	2.500	6.500 ⁽²⁾	\$100.00
2017.....	3.750	2.500	6.500 ⁽²⁾	\$100.00
2018.....	4.500	2.500	7.000	\$100.00
2019.....	5.500	2.500	8.000	\$100.00
2020.....	4.750	2.500	7.250	\$100.00
2021.....	3.250	2.500	6.500 ⁽²⁾	\$100.00 ⁽³⁾
2022.....	3.250	2.500	6.500 ⁽²⁾	\$100.00 ⁽³⁾
2023.....	7.500	2.500	10.000	\$100.00 ⁽³⁾
2024.....	8.500	2.500	11.000	
2025.....	7.500	2.500	10.000	

⁽¹⁾ This is a margin we have used recently; your margin may be different.

⁽²⁾ This **ANNUAL PERCENTAGE RATE** reflects a floor rate of 6.500%.

⁽³⁾ This payment reflects the minimum payment of \$100.00.