IMPORTANT TERMS ON YOUR HOME EQUITY LINES OF CREDIT

A Home Equity Line of Credit is most often used for consumer purposes to support liquidity needs. Primary uses include home remodeling, vacations, education, and debt consolidation.

It offers a favorable interest rate to the customer, plus the flexibility to use their credit anytime for the first 10 year "Draw Period". After the "Draw Period" ends the borrower will no longer be able to make advances from their loan and they will enter the 15 Year Repayment Period. During the Repayment Period, the borrower will pay monthly payments with a fixed interest rate and the loan will be paid off by the end of the 15 years. The length of the Repayment Period is 15 years.

For those who need ongoing access to funds.

- Flexibility - after the line of credit is opened, the borrower will have access to funds as they need them (up to their credit limit) for the first 10 years ("Draw Period").
- Easy access - Access your account anytime with Online Banking, Debit Card, or convenience checks. After the "Draw Period" ends, the line of credit will be frozen, and the borrower will no longer be able to obtain credit advances, and the 15-year Repayment Period begins.
- Repayment Period-The borrower will be required to repay the outstanding balance. At the beginning of the "Repayment Period" the outstanding balance will be amortized into monthly principal and interest payments based on the rate at conversion. The length of the "Repayment Period" is 15 years.

For more details, refer to the product disclosure(s) you are interest in.

Program	See Page
Home Equity Line of Credit with Non-Promo Rate: First Fed pays all closing costs.	2
Home Equity Line of Credit with 6 Month Promo Rate: Receive a fixed introductory rate for the first 6 months of draw period. At month 7 the loan will become a variable rate (prime plus margin). Borrower pays all closing costs.	6
Home Equity Line of Credit with 12 Month Promo Rate: Receive a fixed introductory rate for the first 12 months of draw period. At month 13 the loan will become a variable rate (prime plus margin). Borrower pays all closing costs.	10

Member FDIC EQUAL HOUSING LENDER

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT
HELOC NO-PROMO

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

Availability of Terms: The terms described below are subject to change at any time. 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.

Security Interest: We will take a mortgage, deed of trust or other security interest on 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:

- You engage in fraud or material misrepresentation in connection with the line.
- You do not meet the repayment terms.
- Your action or inaction adversely affects the collateral or our rights in the collateral.
- The prospect of payment, performance, or realization of our rights in the collateral is significantly impaired by your action or inaction (including, for example, if you engage in fraud or material misrepresentation in connection with the line at any time).

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

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

The initial agreement permits us to make certain changes to the terms of the agreement at specified times or upon the occurrence of specified events.

Minimum Payment Requirements: You can obtain advances of credit for **120** months (the "Draw Period"). Payments will be due monthly during the Draw Period, and will be determined as described below:

Monthly Payments At Least Equal to Interest and Fees: The greater of **$25.00** or the amount of finance charge accrued on outstanding advances each month, plus any fees and any amounts past due. This minimum payment may not reduce the principal that is outstanding on your credit line (unless the monthly accrued finance charge is less than **$25.00** in which case the minimum payment may not fully repay the principal that is outstanding on your credit line).

The monthly payment described above will not be less than **$25.00** during the Draw Period unless the total outstanding balance on your credit line is less than **$25.00**, in which case the minimum monthly payment will equal **$25.00** or the outstanding balance on your credit line, whichever is less.

After the Draw Period ends, you will no longer be able to obtain credit advances and must pay the outstanding balance over **180** months (the "repayment period"). Payments will be due monthly during the repayment period, and will be determined as described below:

The amount sufficient to amortize the principal amount you owe on the last day of the Draw Period, plus interest, in substantially equal monthly installments during the repayment period, plus any fees and any amounts past due.

Minimum Payment Example: If you made only the minimum monthly payments and took no other credit advances, it would take **300** months to pay off a credit advance of $10,000 at an **<u>ANNUAL PERCENTAGE RATE</u>** of **<u>8.500%</u>**. During that period, you would make **120** monthly payments varying between **$65.21** and **$72.19** in the draw period followed by **179** monthly payments of **$98.47** in the repayment period and a final payment of **$98.01**.

Fees and Charges: You must pay the following fees to open and maintain your line of credit:

<u>Closing Fees to Us.</u> You must pay the following to us to open your line of credit: **N/A - There are no fees to be paid to us to open your line of credit**

<u>Estimation of Third Party Closing Fees.</u> You must pay certain fees at closing to third parties in order to open your line of credit. The third party fees you must pay at closing generally total between **$737.00** and **$3,500.00**. If you ask, we will give you a good faith estimation of the itemized fees you will have to pay to third parties to open your line of credit.

<u>Fees to Use Your Account.</u> You must pay us the following fees to use your account:

- **Annual Fee: $100.00 (due each year beginning on the first anniversary until the end of the Draw Period)**
- **Research Fee: $25.00 (due for each hour of research you ask us to perform on your Credit Account)**
- **Stop Payment Fee: $35.00 (due for each request to stop payment on a Draw or Draft Check)**
- **Release Fee: $364.50 (due to cover recording or filing costs when we release the Security Instrument for this Credit Account - this is an estimate)**
- **Returned Payment Fee: $35.00 (due for each payment check, draft, or similar instrument which is returned unpaid)**
- **Annual Fee or Maintenance Fee Information-A fee of $100.00 is due annually in order to continue this Line of Credit. We will assess this fee annually on the anniversary of your Agreement Date and it will be due by the next Payment Date. The fee will not be advanced from your Account and will not affect your principal balance. The Annual Maintenance Fee will be waived if the monthly payments are made from a deposit account by automatic payment. If you no longer have an automatic payment set up to pay your Account the Annual Maintenance Fee will no longer be waived and you will be charged the fee as described above. *Overdraft Protection-$10.00 a day if used for overdraft protection.**

<u>Property Insurance.</u> In addition to the fees and charges described above in this section, you must carry insurance (hazard and flood insurance, as applicable) on the property that secures the line of credit. **You may obtain all required property insurance from and through anyone you choose that is reasonably acceptable to us.** (You may not obtain required property insurance from or through us.)

Tax Deductibility: You should consult a tax advisor regarding the deductibility of interest and charges for the line.

Other Products: If you ask, we will provide you with information on our other available home equity lines.

Variable-Rate Feature: The line has a variable rate feature, and the annual percentage rate (corresponding to the periodic rate) and the minimum payment can change as a result of this feature.

The annual percentage rate includes only interest and not other costs.

The variable annual percentage rate will be based on the value of an index. The index is the most recently published **Prime Rate** as of each day in the "Money Rates" table in *The Wall Street Journal.* (If more than one index value is published we will use the highest published index value.)

To determine the annual percentage rate that will apply to your line, we add a margin to the value of the index. We will then round the result to the nearest **0.125** percentage points.

Ask us for the current index value, margin and annual percentage rate. After you open a credit line, rate information will be provided on periodic statements that we will send you.

Rate Changes: The annual percentage rate can change daily the first business day of the Monthly Statement Period after the Index changes (if the index changes). The maximum **ANNUAL PERCENTAGE RATE** that can apply under the variable-rate feature is **18.000%.** Except for this lifetime rate cap, there is no limit on the amount by which the variable interest rate can increase during any one year period. The minimum **ANNUAL PERCENTAGE RATE** that can apply under the variable-rate feature is **4.250%**.

Maximum Rate and Payment Example: If you had an outstanding balance of $10,000 during the draw period, the minimum monthly payment during the draw period at the maximum **ANNUAL PERCENTAGE RATE** of **18.000%** (this maximum rate is **9.5** percentage points above the most recent index plus margin shown in the Historical Example below) would be **$152.88**. This annual percentage rate could be reached during the **1st** month following the date your line of credit is opened.

If you had an outstanding balance of $10,000 at the beginning of the repayment period, the minimum monthly payment during the repayment period at the maximum **ANNUAL PERCENTAGE RATE** of **18.000%** (this maximum rate is **9.5** percentage points above the most recent index plus margin shown in the Historical Example below) would be **$161.04**. This annual percentage rate could be reached on the first day of the repayment period.

Historical Example: The following table shows how the annual percentage rate and the minimum monthly 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 from **January 2nd** of each year. While only one payment amount per year is shown, payments could have varied during each year of the draw period and of the repayment period. The table assumes that no additional credit advances were taken, that only the minimum payments were made each month, and that the rate remained constant during each year. The table does not necessarily indicate how the index or your payments will change in the future.

	Year	Index	Margin*	ANNUAL PERCENTAGE RATE	Minimum Monthly Payment
Draw Period	2011	3.250 %	1.000 %	4.250 %***	$32.60
	2012	3.250 %	1.000 %	4.250 %***	$33.67
	2013	3.250 %	1.000 %	4.250 %***	$32.60
	2014	3.250 %	1.000 %	4.250 %***	$32.60
	2015	3.250 %	1.000 %	4.250 %***	$32.60
	2016	3.500 %	1.000 %	4.500 %	$35.66
	2017	3.750 %	1.000 %	4.750 %	$36.44
	2018	4.500 %	1.000 %	5.500 %	$42.19
	2019	5.500 %	1.000 %	6.500 %	$49.86
	2020	4.750 %	1.000 %	5.750 %	$45.56

Repayment Period	**2021**	**3.250 %**	**1.000 %**	**4.250 %*** **	**$75.23**
	2022	**3.250 %**	**1.000 %**	**4.250 %*** **	**$75.23**
	2023	**7.500 %**	**1.000 %**	**8.500 %**	**$95.55**
	2024	**8.500 %**	**1.000 %**	**9.500 %**	**$100.40**
	2025	**7.500 %**	**1.000 %**	**8.500 %**	**$95.87**

* This is a margin we have used recently; your margin may be different.
** This rate reflects the lifetime rate cap.
*** This rate reflects the lifetime rate floor.

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT
HELOC 6-MONTH PROMO

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

Availability of Terms: The terms described below are subject to change at any time. 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.

Security Interest: We will take a mortgage, deed of trust or other security interest on 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:

- You engage in fraud or material misrepresentation in connection with the line.
- You do not meet the repayment terms.
- Your action or inaction adversely affects the collateral or our rights in the collateral.
- The prospect of payment, performance, or realization of our rights in the collateral is significantly impaired by your action or inaction (including, for example, if you engage in fraud or material misrepresentation in connection with the line at any time).

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

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

The initial agreement permits us to make certain changes to the terms of the agreement at specified times or upon the occurrence of specified events.

Minimum Payment Requirements: You can obtain advances of credit for **120** months (the "Draw Period"). Payments will be due monthly during the Draw Period, and will be determined as described below:

Monthly Payments At Least Equal to Interest and Fees: The greater of **$25.00** or the amount of finance charge accrued on outstanding advances each month, plus any fees and any amounts past due. This minimum payment may not reduce the principal that is outstanding on your credit line (unless the monthly accrued finance charge is less than **$25.00** in which case the minimum payment may not fully repay the principal that is outstanding on your credit line).

The monthly payment described above will not be less than **$25.00** during the Draw Period unless the total outstanding balance on your credit line is less than **$25.00**, in which case the minimum monthly payment will equal **$25.00** or the outstanding balance on your credit line, whichever is less.

After the Draw Period ends, you will no longer be able to obtain credit advances and must pay the outstanding balance over **180** months (the "repayment period"). Payments will be due monthly during the repayment period, and will be determined as described below:

The amount sufficient to amortize the principal amount you owe on the last day of the Draw Period, plus interest, in substantially equal monthly installments during the repayment period, plus any fees and any amounts past due.

Minimum Payment Example: If you made only the minimum monthly payments and took no other credit advances, it would take **300** months to pay off a credit advance of $10,000 at an **ANNUAL PERCENTAGE RATE** of **8.500%**. During that period, you would make **120** monthly payments varying between **$65.21** and **$72.19** in the draw period followed by **179** monthly payments of **$98.47** in the repayment period and a final payment of **$98.01**.

Fees and Charges: You must pay the following fees to open and maintain your line of credit:

Closing Fees to Us. You must pay the following to us to open your line of credit: **N/A - There are no fees to be paid to us to open your line of credit**

Estimation of Third Party Closing Fees. You must pay certain fees at closing to third parties in order to open your line of credit. The third party fees you must pay at closing generally total between **$737.00** and **$3,500.00**. If you ask, we will give you a good faith estimation of the itemized fees you will have to pay to third parties to open your line of credit.

Fees to Use Your Account. You must pay us the following fees to use your account:

- **Annual Fee: $100.00 (due each year beginning on the first anniversary until the end of the Draw Period)**
- **Research Fee: $25.00 (due for each hour of research you ask us to perform on your Credit Account)**
- **Stop Payment Fee: $35.00 (due for each request to stop payment on a Draw or Draft Check)**
- **Release Fee: $364.50 (due to cover recording or filing costs when we release the Security Instrument for this Credit Account - this is an estimate)**
- **Returned Payment Fee: $35.00 (due for each payment check, draft, or similar instrument which is returned unpaid)**
- **Annual Fee or Maintenance Fee Information-A fee of $100.00 is due annually in order to continue this Line of Credit. We will assess this fee annually on the anniversary of your Agreement Date and it will be due by the next Payment Date. The fee will not be advanced from your Account and will not affect your principal balance. The Annual Maintenance Fee will be waived if the monthly payments are made from a deposit account by automatic payment. If you no longer have an automatic payment set up to pay your Account the Annual Maintenance Fee will no longer be waived and you will be charged the fee as described above. *Overdraft Protection-$10.00 a day if used for overdraft protection.**

Property Insurance. In addition to the fees and charges described above in this section, you must carry insurance (hazard and flood insurance, as applicable) on the property that secures the line of credit. **You may obtain all required property insurance from and through anyone you choose that is reasonably acceptable to us.** (You may not obtain required property insurance from or through us.)

Tax Deductibility: You should consult a tax advisor regarding the deductibility of interest and charges for the line.

Other Products: If you ask, we will provide you with information on our other available home equity lines.

Variable-Rate Feature: The line has a variable rate feature, and the annual percentage rate (corresponding to the periodic rate) and the minimum payment can change as a result of this feature.

The annual percentage rate includes only interest and not other costs.

The variable annual percentage rate will be based on the value of an index. The index is the most recently published **Prime Rate** as of each day in the "Money Rates" table in *The Wall Street Journal.* (If more than one index value is published we will use the highest published index value.)

To determine the annual percentage rate that will apply to your line, we add a margin to the value of the index. We will then round the result to the nearest **0.125** percentage points.

The initial annual percentage rate is not based on the index and margin used for later rate adjustments. It is based on an initial rate discount. The initial rate will apply to your Credit Account until the end of the Monthly Statement Period that includes the last day of the **6th** full calendar month beginning after the day your Credit Account is opened.

Ask us for the current index value, margin, discount and annual percentage rate. After you open a credit line, rate information will be provided on periodic statements that we will send you.

Rate Changes: The annual percentage rate can change daily, after remaining fixed for **6** months, the first business day of the Monthly Statement Period after the Index changes (if the index changes). The maximum **ANNUAL PERCENTAGE RATE** that can apply under the variable-rate feature is **18.000%.** Except for this lifetime rate cap, there is no limit on the amount by which the variable interest rate can increase during any one year period. The minimum **ANNUAL PERCENTAGE RATE** that can apply under the variable-rate feature is **4.250%**.

Maximum Rate and Payment Example: If you had an outstanding balance of $10,000 during the draw period, the minimum monthly payment during the draw period at the maximum **ANNUAL PERCENTAGE RATE** of **18.000%** (this maximum rate is **9.5** percentage points above the most recent index plus margin shown in the Historical Example below) would be **$152.88**. This annual percentage rate could be reached during the **7th** month following the date your line of credit is opened.

If you had an outstanding balance of $10,000 at the beginning of the repayment period, the minimum monthly payment during the repayment period at the maximum **ANNUAL PERCENTAGE RATE** of **18.000%** (this maximum rate is **9.5** percentage points above the most recent index plus margin shown in the Historical Example below) would be **$161.04**. This annual percentage rate could be reached on the first day of the repayment period.

Historical Example: The following table shows how the annual percentage rate and the minimum monthly 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 from **January 2nd** of each year. While only one payment amount per year is shown, payments could have varied during each year of the draw period and of the repayment period. The table assumes that no additional credit advances were taken, that only the minimum payments were made each month, and that the rate remained constant during each year. The table does not necessarily indicate how the index or your payments will change in the future.

	Year	Index	Margin*	ANNUAL PERCENTAGE RATE	Minimum Monthly Payment
Draw Period	2011	3.250 %	1.000 %	6.250 %#	$47.95
	2012	3.250 %	1.000 %	4.250 %***	$33.67
	2013	3.250 %	1.000 %	4.250 %***	$32.60
	2014	3.250 %	1.000 %	4.250 %***	$32.60
	2015	3.250 %	1.000 %	4.250 %***	$32.60
	2016	3.500 %	1.000 %	4.500 %	$35.66
	2017	3.750 %	1.000 %	4.750 %	$36.44

	2018	**4.500 %**	**1.000 %**	**5.500 %**	**$42.19**
	2019	**5.500 %**	**1.000 %**	**6.500 %**	**$49.86**
	2020	**4.750 %**	**1.000 %**	**5.750 %**	**$45.56**
Repayment Period	**2021**	**3.250 %**	**1.000 %**	**4.250 %*** **	**$75.23**
	2022	**3.250 %**	**1.000 %**	**4.250 %*** **	**$75.23**
	2023	**7.500 %**	**1.000 %**	**8.500 %**	**$95.55**
	2024	**8.500 %**	**1.000 %**	**9.500 %**	**$100.40**
	2025	**7.500 %**	**1.000 %**	**8.500 %**	**$95.87**

* This is a margin we have used recently; your margin may be different.
# This rate reflects a **1.000%** discount we have used recently.
** This rate reflects the lifetime rate cap.
*** This rate reflects the lifetime rate floor.

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT
HELOC 12-MONTH PROMO

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

Availability of Terms: The terms described below are subject to change at any time. 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.

Security Interest: We will take a mortgage, deed of trust or other security interest on 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:

- You engage in fraud or material misrepresentation in connection with the line.
- You do not meet the repayment terms.
- Your action or inaction adversely affects the collateral or our rights in the collateral.
- The prospect of payment, performance, or realization of our rights in the collateral is significantly impaired by your action or inaction (including, for example, if you engage in fraud or material misrepresentation in connection with the line at any time).

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

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

The initial agreement permits us to make certain changes to the terms of the agreement at specified times or upon the occurrence of specified events.

Minimum Payment Requirements: You can obtain advances of credit for **120** months (the "Draw Period"). Payments will be due monthly during the Draw Period, and will be determined as described below:

Monthly Payments At Least Equal to Interest and Fees: The greater of **$25.00** or the amount of finance charge accrued on outstanding advances each month, plus any fees and any amounts past due. This minimum payment may not reduce the principal that is outstanding on your credit line (unless the monthly accrued finance charge is less than **$25.00** in which case the minimum payment may not fully repay the principal that is outstanding on your credit line).

The monthly payment described above will not be less than **$25.00** during the Draw Period unless the total outstanding balance on your credit line is less than **$25.00**, in which case the minimum monthly payment will equal **$25.00** or the outstanding balance on your credit line, whichever is less.

After the Draw Period ends, you will no longer be able to obtain credit advances and must pay the outstanding balance over **180** months (the "repayment period"). Payments will be due monthly during the repayment period, and will be determined as described below:

The amount sufficient to amortize the principal amount you owe on the last day of the Draw Period, plus interest, in substantially equal monthly installments during the repayment period, plus any fees and any amounts past due.

Minimum Payment Example: If you made only the minimum monthly payments and took no other credit advances, it would take **300** months to pay off a credit advance of $10,000 at an **ANNUAL PERCENTAGE RATE** of **8.500%**. During that period, you would make **120** monthly payments varying between **$65.21** and **$72.19** in the draw period followed by **179** monthly payments of **$98.47** in the repayment period and a final payment of **$98.01**.

Fees and Charges: You must pay the following fees to open and maintain your line of credit:

Closing Fees to Us. You must pay the following to us to open your line of credit: **N/A - There are no fees to be paid to us to open your line of credit**

Estimation of Third Party Closing Fees. You must pay certain fees at closing to third parties in order to open your line of credit. The third party fees you must pay at closing generally total between **$737.00** and **$3,500.00**. If you ask, we will give you a good faith estimation of the itemized fees you will have to pay to third parties to open your line of credit.

Fees to Use Your Account. You must pay us the following fees to use your account:

- **Annual Fee: $100.00 (due each year beginning on the first anniversary until the end of the Draw Period)**
- **Research Fee: $25.00 (due for each hour of research you ask us to perform on your Credit Account)**
- **Stop Payment Fee: $35.00 (due for each request to stop payment on a Draw or Draft Check)**
- **Release Fee: $364.50 (due to cover recording or filing costs when we release the Security Instrument for this Credit Account - this is an estimate)**
- **Returned Payment Fee: $35.00 (due for each payment check, draft, or similar instrument which is returned unpaid)**
- **Annual Fee or Maintenance Fee Information-A fee of $100.00 is due annually in order to continue this Line of Credit. We will assess this fee annually on the anniversary of your Agreement Date and it will be due by the next Payment Date. The fee will not be advanced from your Account and will not affect your principal balance. The Annual Maintenance Fee will be waived if the monthly payments are made from a deposit account by automatic payment. If you no longer have an automatic payment set up to pay your Account the Annual Maintenance Fee will no longer be waived and you will be charged the fee as described above. *Overdraft Protection-$10.00 a day if used for overdraft protection.**

Property Insurance. In addition to the fees and charges described above in this section, you must carry insurance (hazard and flood insurance, as applicable) on the property that secures the line of credit. **You may obtain all required property insurance from and through anyone you choose that is reasonably acceptable to us.** (You may not obtain required property insurance from or through us.)

Tax Deductibility: You should consult a tax advisor regarding the deductibility of interest and charges for the line.

Other Products: If you ask, we will provide you with information on our other available home equity lines.

Variable-Rate Feature: The line has a variable rate feature, and the annual percentage rate (corresponding to the periodic rate) and the minimum payment can change as a result of this feature.

The annual percentage rate includes only interest and not other costs.

The variable annual percentage rate will be based on the value of an index. The index is the most recently published **Prime Rate** as of each day in the "Money Rates" table in *The Wall Street Journal.* (If more than one index value is published we will use the highest published index value.)

To determine the annual percentage rate that will apply to your line, we add a margin to the value of the index. We will then round the result to the nearest **0.125** percentage points.

The initial annual percentage rate is not based on the index and margin used for later rate adjustments. It is based on an initial rate discount. The initial rate will apply to your Credit Account until the end of the Monthly Statement Period that includes the last day of the **12th** full calendar month beginning after the day your Credit Account is opened.

Ask us for the current index value, margin, discount and annual percentage rate. After you open a credit line, rate information will be provided on periodic statements that we will send you.

Rate Changes: The annual percentage rate can change daily, after remaining fixed for **12** months, the first business day of the Monthly Statement Period after the Index changes (if the index changes). The maximum **ANNUAL PERCENTAGE RATE** that can apply under the variable-rate feature is **18.000%.** Except for this lifetime rate cap, there is no limit on the amount by which the variable interest rate can increase during any one year period. The minimum **ANNUAL PERCENTAGE RATE** that can apply under the variable-rate feature is **4.250%**.

Maximum Rate and Payment Example: If you had an outstanding balance of $10,000 during the draw period, the minimum monthly payment during the draw period at the maximum **ANNUAL PERCENTAGE RATE** of **18.000%** (this maximum rate is **9.5** percentage points above the most recent index plus margin shown in the Historical Example below) would be **$152.88**. This annual percentage rate could be reached during the **13th** month following the date your line of credit is opened.

If you had an outstanding balance of $10,000 at the beginning of the repayment period, the minimum monthly payment during the repayment period at the maximum **ANNUAL PERCENTAGE RATE** of **18.000%** (this maximum rate is **9.5** percentage points above the most recent index plus margin shown in the Historical Example below) would be **$161.04**. This annual percentage rate could be reached on the first day of the repayment period.

Historical Example: The following table shows how the annual percentage rate and the minimum monthly 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 from **January 2nd** of each year. While only one payment amount per year is shown, payments could have varied during each year of the draw period and of the repayment period. The table assumes that no additional credit advances were taken, that only the minimum payments were made each month, and that the rate remained constant during each year. The table does not necessarily indicate how the index or your payments will change in the future.

	Year	Index	Margin*	ANNUAL PERCENTAGE RATE	Minimum Monthly Payment
Draw Period	2011	3.250 %	1.000 %	6.750 %#	$51.78
	2012	3.250 %	1.000 %	4.250 %***	$33.67
	2013	3.250 %	1.000 %	4.250 %***	$32.60
	2014	3.250 %	1.000 %	4.250 %***	$32.60
	2015	3.250 %	1.000 %	4.250 %***	$32.60
	2016	3.500 %	1.000 %	4.500 %	$35.66
	2017	3.750 %	1.000 %	4.750 %	$36.44

	2018	**4.500 %**	**1.000 %**	**5.500 %**	**$42.19**
	2019	**5.500 %**	**1.000 %**	**6.500 %**	**$49.86**
	2020	**4.750 %**	**1.000 %**	**5.750 %**	**$45.56**
Repayment Period	**2021**	**3.250 %**	**1.000 %**	**4.250 %*** **	**$75.23**
	2022	**3.250 %**	**1.000 %**	**4.250 %*** **	**$75.23**
	2023	**7.500 %**	**1.000 %**	**8.500 %**	**$95.55**
	2024	**8.500 %**	**1.000 %**	**9.500 %**	**$100.40**
	2025	**7.500 %**	**1.000 %**	**8.500 %**	**$95.87**

* This is a margin we have used recently; your margin may be different.
# This rate reflects a **0.500%** discount we have used recently.
** This rate reflects the lifetime rate cap.
*** This rate reflects the lifetime rate floor.