

## Associated Bank, N.A.

### HELOC EARLY DISCLOSURE AND IMPORTANT TERMS OF LINE OF CREDIT PLAN

This disclosure contains important information about the **Associated Bank, N.A.** Home Equity Line of Credit Account ("Account"). You should read it carefully and keep a copy for your records.

**Availability of Terms.** All of the terms below are subject to change. If any of the following 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 you paid 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 your obligations in your Home Equity Line of Credit Agreement ("Agreement").

**Possible Actions.** We can terminate your line of credit, 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 of credit.
- You do not meet the repayment terms of the line of credit.
- Your action or inaction adversely affects the collateral (your home) or our rights in the collateral.

We can refuse to make additional extensions of credit ("advances") or reduce your credit limit if:

- The value of the collateral securing the line is significantly below its appraised value for purposes of the line of credit.
- We reasonably believe that you will not be able to meet the repayment requirements of the line of credit due to a material change in your financial circumstances.
- You are in default of a material obligation in the agreement. We consider all of your obligations to be material.
- 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% of your credit limit.
- A regulatory agency notifies us that continued advances would constitute an unsafe and unsound practice.
- The maximum Annual Percentage Rate is reached.

The initial account 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.** You can obtain advances for **10** years. This period is called the "draw period." During the draw period, if there is a balance, your "Regular Payment" will equal the amount of your accrued Finance Charges or \$50.00, whichever is greater, plus any amount past due and all other fees and charges. An increase in the Annual Percentage Rate may increase the amount of your Regular Payment. The Minimum Payment during the Draw Period may not reduce the principal that is outstanding on your Credit Line.

After the draw period ends, you will no longer be able to obtain advances and must pay the outstanding balance over **20** years (the "repayment period"). During the repayment period payments will be due monthly. Your minimum monthly payment will equal the sum of the interest Finance Charges that have accrued during the billing period, plus 0.417% of the outstanding balance of your account at the end of the draw period. The interest finance charges are variable and remain subject to the variable interest rate disclosed below.

**Minimum Payment Example.** If you made only the minimum payment and took no other credit advances, it would take 30 years to pay off a credit advance of \$10,000.00 at an **ANNUAL PERCENTAGE RATE** of 9.500%. During that period, you would make 120 monthly payments ranging from \$72.88 to \$80.68. Then you would make 240 monthly payments ranging from \$33.97 to \$121.83.

**Fees and Charges.** To open and maintain a line of credit, you must pay us the following fees:

**Fees**

(a) Third Party Fees. All origination or closing fees are paid by the lender, not by the borrower.

**Other Charges**

(a) Late Charge. If we do not receive your minimum payment within fifteen (15) days of its due date, we will charge you a late charge equal to the lesser of 5.000% of the payment past due or \$10.00.

(b) Returned Item Charge. If a check you use to pay us is returned to us unpaid, we will charge you a returned item fee of \$15.00 in addition to any late charge that may result.

(c) Annual Fee. We will charge you an Annual Fee of \$50.00 each year beginning with the first anniversary of the opening of your Account.

(d) Fixed-Rate Option Fee. There is no fee to convert to a Fixed-Rate Option.

(e) Unlock Fee. We will charge you \$100.00 at the time you request a balance to be unlocked.

In addition, you must carry insurance on the property that secures the line of credit. If you ask, we will give you an itemization of the fees you will have to pay to third parties.

**Finance Charge Accrual.** The periodic interest Finance Charge begins to accrue on the date that a Loan Advance is made from your Account.

**Tax Deductibility.** You should consult a tax adviser regarding the deductibility of interest and charges on your line of credit.

**Variable Rate Information.** This line of credit has a variable rate of interest. 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 not other costs. The Annual Percentage Rate is based on the value of an index. The index is the highest "Prime Rate" as published in the "Money Rates" table of the online or print edition of The Wall Street Journal. To determine the Annual Percentage Rate that will apply to your line, we add a margin ("Margin") to the value of the index. Ask us for the current index value, margin and Annual Percentage Rate. After you open a line of credit, rate information will be provided in monthly billing statements that are sent to you.

**Conversion Option.** The conversion of all or a portion of the outstanding balance of your Account from a variable Annual Percentage Rate to a fixed Annual Percentage Rate payable over a fixed period of time is called a Fixed-Rate Option. After you exercise a Fixed-Rate Option the Annual Percentage Rate applicable to the amount of your outstanding balance that you have locked in will not change provided you are not in default under the terms of this Credit Agreement. A Fixed-Rate Option allows you to repay all or a portion of the outstanding balance of your Account over a fixed term between 60 and 240 months. We may but are not obligated to allow you to unlock a balance that is subject to the terms of a Fixed-Rate Option. When you exercise a Fixed-Rate Option we will determine the payment amount required to pay off the Fixed-Rate Option balance in substantially equal payments over the Fixed-Rate Option term based on the fixed Annual Percentage Rate applicable to the locked in balance. Payment in full for any amounts subject to the terms of a Fixed-Rate Option is due on the earlier of the Fixed-Rate Option maturity date, the Maturity Date of this Agreement, or upon the termination of your Account as provided by this Agreement. After you exercise a Fixed-Rate Option, the Minimum Payment due on your Account will be the fixed payment due for each balance subject to the terms of a Fixed-Rate Option, plus the Regular Payment applicable to balances not subject to the terms of a Fixed-Rate Option as provided by this

Agreement, plus any amount that is past due and all other fees and charges.

Balances subject to the terms of a Fixed-Rate Option will reduce the amount of credit available to you on your Account. Your available credit will be replenished as you repay the Fixed-Rate Option balance provided your account has not been suspended in accordance with the terms of this Agreement. Balances subject to the terms of a Fixed-Rate Option are subject to all other applicable terms of this Agreement, including without limitation, Termination and Acceleration.

**Annual Percentage Rate Increase.** Your Annual Percentage Rate may increase if you exercise this option to convert to a fixed rate.

**Conversion Periods.** You can exercise the option to convert to a fixed rate only during the following period or periods: You may convert all or a portion of your outstanding balance to a fixed Annual Percentage Rate and a fixed term between 60 and 240 months at any time during the term of your Agreement until the beginning of the 60th month prior to the Maturity Date. You may not convert balances within 60 months of the Maturity Date.

**Conversion Fees.** You will not be required to pay a fee at the time of conversion to a fixed rate; however, a \$100 Unlock Fee is charged to unlocked a Fixed-Rate Option balance.

**Conversion Rules.** You can convert to a fixed rate only during the period or periods described above. In addition, the following rules apply to the conversion option for the Plan: We may deny you the ability to exercise a Fixed-Rate Option if you have defaulted on any promise you have made with respect to your Account, if additional advances on your Account are prohibited, or if we have received a request for a balance payoff. In order to exercise a Fixed-Rate Option you must sign and return a Home Equity Line of Credit Fixed-Rate Option Addendum to the address specified on the Addendum. The repayment term of your Fixed-Rate Option must mature on or before the Maturity Date of this Agreement. Once a balance is subject the terms of to a Fixed-Rate Option you may not add advances to that balance. The minimum Fixed-Rate Option balance is \$5,000.

**Rate Determination.** The fixed rate will be determined as follows: The fixed Annual Percentage Rate applicable to a Fixed-Rate Option will be the maximum Annual Percentage Rate permitted by this Agreement. We may however, choose to apply a discounted Annual Percentage Rate. To find out current information about discounted rates on a Fixed-Rate Option, please contact a banker at any of our branches or call us at 866-LENDABC (866-536-3222). The Annual Percentage Rate applicable to your Fixed-Rate Option will be shown on the Home Equity Line of Credit Fixed-Rate Option Addendum that you will receive when you exercise a Fixed-Rate Option.

**Rate Changes.** The Annual Percentage Rate can change monthly. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 18.000% or the maximum permitted by law, whichever is less. However, under no circumstances will your **ANNUAL PERCENTAGE RATE** go below 2.500% at any time during the term of the plan.

**Maximum Rate and Payment Example.** If you had an outstanding balance of \$10,000 during the draw period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.000% would be \$152.88. If you had an outstanding balance of \$10,000 during the repayment period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of 18.000% would be \$194.58. This Annual Percentage Rate could be reached in 1 month.

**Historical Example.** The following table shows how the Annual Percentage Rate and the monthly payments for a single \$10,000 advance would have changed based on changes in the Index over the past 15 years. The Index values are from the first business day of June each year. While only one payment amount per year is shown, payments would have varied during each year.

The table assumes that no additional advances were taken, that only the minimum payment was made each month, 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.

Year	Index (%)	Margin* (%)	ANNUAL PERCENTAGE RATE (%)	Appropriate Minimum Monthly Payment (\$)
2010	3.250	1.000	4.250	50.00
2011	3.250	1.000	4.250	50.00
2012	3.250	1.000	4.250	50.00
2013	3.250	1.000	4.250	50.00
2014	3.250	1.000	4.250	50.00
2015	3.250	1.000	4.250	50.00
2016	3.500	1.000	4.500	50.00
2017	4.000	1.000	5.000	50.00
2018	4.750	1.000	5.750	50.00
2019	5.500	1.000	6.500	50.00
2020	3.250	1.000	4.250	63.10
2021	3.250	1.000	4.250	61.74
2022	4.000	1.000	5.000	64.87
2023	8.250	1.000	9.250	87.65
2024	8.500	1.000	9.500	85.73

\*This is a margin we have used recently