

**IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT**

This disclosure contains important information about your Home Equity Open-End Credit Plan ("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 any of 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 paid to us or anyone else in connection with your application.

**Security Interest:** We will take a security interest in your home through a Mortgage or Deed of Trust. You could lose your home if you do not meet the obligations in your agreement with us.

**Possible Actions:**

**Termination and Acceleration**

*For Wisconsin Borrowers Only:*

We can terminate the Home Equity Open-end Credit Plan and require you to pay us the entire outstanding balance in one payment and charge you certain fees if:

- (a) you fail to make a required payment when due two times within a twelve month period, or
- (b) your failure to observe the terms of this Plan materially impairs the condition, value, or protection of, or our rights in, the property securing this Plan.

*For All Other Borrowers:*

We can terminate the Home Equity Open-End Credit Plan and require you to pay us the entire outstanding balance in one payment and charge you certain fees if:

- (a) you commit fraud or material misrepresentation at any time in connection with this Plan;
- (b) you do not meet the repayment terms of this Plan;
- (c) your action or inaction adversely affects the collateral for the Plan or our rights in the collateral;
- (d) the sole consumer obligated on the Plan dies.

**Suspension or Reduction**

*For All Borrowers:*

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

- (a) the value of your dwelling declines significantly below its appraised value for purposes of this Plan;
- (b) we reasonably believe that you will not be able to meet the repayment requirements due to a material change in your financial circumstances;
- (c) you are in default of a material obligation of this Plan;
- (d) government action prevents us from imposing the **ANNUAL PERCENTAGE RATE** provided for under this Plan or impairs our security interest such that the value of the interest is less than 120 percent of the credit line;
- (e) a regulatory agency has notified us that continued advances would constitute an unsafe and unsound practice;
- (f) the maximum **ANNUAL PERCENTAGE RATE** under this Plan is reached.
- (g) *For Wisconsin Borrowers Only:* you engage in fraud or material misrepresentation in connection with the Plan;
- (h) *For Wisconsin Borrowers Only:* upon our receipt of a notice of termination under Wis. Stat. 766.565(5).

**Change in Terms**

Our home equity credit agreement permits us to make certain changes to the terms of this Plan at specified times or upon the occurrence of specified events.

**Minimum Payment Requirements:** You can obtain advances of credit for as long as your Plan remains open. The term of your Plan is indefinite, although we reserve the right to suspend or close your account in accordance with applicable law. During the term of the Plan, payments will be due monthly and you must make payments until your outstanding balance is paid in full. Your minimum monthly payment will equal 1.00% of the principal balance outstanding or \$50.00, whichever is greater. Your minimum monthly payment will also include, as applicable, any amounts due for optional products such as debt protection; any amount for which you have exceeded your credit limit and any over-the-limit fees; any amounts past due and any late fees; and any other amounts due for any other charges incurred. Balances of less than \$50.00 must be paid in full.

**Negative Amortization:** Under some circumstances, your payments will not cover the finance charges that accrue and "negative amortization" will occur. Negative amortization will increase the amount that you owe us and reduce your equity in your home.

**Lock Feature:** You may elect to "lock in" or convert a portion of your variable-rate outstanding balance to a fixed Annual Percentage Rate over a set term. You may select the term of your lock feature from terms provided to you at the time you exercise this option. Offered rate will be based upon borrower's creditworthiness and term selected. The minimum amount that may be locked is \$5,000.00. The minimum term of the lock feature is 5 years and the maximum term of the lock feature is 20 years. Depending on the rate and term chosen, an origination fee may apply to the balance of the locked portion and if so this fee will be disclosed at the time that the lock feature is exercised. The minimum payment requirement for the locked-in balance is equal to that amount required to repay the balance in equal periodic installments during the term selected. We will provide you with the new payment terms of the locked-in balance at the time you lock-in. Locking in will only fix the rate and term that applies to that portion of the existing balance selected; future advances will be subject to the variable rate feature according to the terms of the Plan. As the Locked balance is paid down, additional credit will become available, up to the applicable credit limit. There is no limit to the number of times that the lock feature may be exercised, but you may only have 3 locked-in balances at one time. We reserve the right to discontinue this feature at any time without notice. If this feature is discontinued, the balances that have already been locked will continue to be locked at the rates and terms selected.

**Minimum Payment Examples:** If you made only the minimum monthly payment and took no other credit advances, it would take 32 year(s) and 8 month(s) to pay off a credit advance of \$10,000 at an **ANNUAL PERCENTAGE RATE** of 8.25%. During that period, you would make 391 payments varying between \$100.00 and \$50.00, with a final payment of \$11.42.

**Lock Feature:** If you exercised the optional Lock Feature and converted \$10,000 to a fixed rate of 6.99% and a term of 15 years, it would take you 15 years to pay off the balance. During that period, you would make 180 monthly payments of \$89.83.

**Fees and Charges:** To open and maintain an account, you must pay the following fees to us:

*Real Estate Processing Fee:* \$200.00

*Late Charges:* If a payment is more than 15 days late, you will pay a late charge of 5% of the payment due.

*Lien Release Fees:* In addition to all other charges, you will, to the extent not prohibited by law, pay all governmental fees for the release of Lender's security interest in collateral securing this Plan. You will pay these fees at the time the lien or liens are released. The estimated amount of the future lien release is \$50.00 \_\_\_\_\_.

To open your account, you must pay certain fees to third parties such as appraisers, credit reporting firms, and government agencies. These fees generally total between \$0.00-\$5,000. Upon request, we will provide you with an itemization of the fees you will have to pay to third parties.

**Property Insurance:** 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.

**Access to the Plan:** You may obtain advances under your Plan in person, by mail, by check, by telephone, or by internet.

**Transaction Requirements:**

*The following applies to all advances:* There is no minimum requirement for initial advances or subsequent advances.

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

**Initial Discount Rate:** An initial discounted rate may be available under this Plan. Ask us for more information regarding your initial discount.

**Refundability of Fees:** If you decide not to enter into this Plan within three business days of receiving this disclosure and the handbook entitled "What You Should Know About Home Equity Lines of Credit," you are entitled to a refund of any fees you may have already paid.

**Variable Rate Feature:** This Plan has a variable rate and the **ANNUAL PERCENTAGE RATE** and corresponding periodic rate and minimum payment can change as a result. The **ANNUAL PERCENTAGE RATE** does not include costs other than interest.

The **ANNUAL PERCENTAGE RATE** is based on the value of an index. The index is the highest rate of interest identified as the 'Prime Rate' in the 'Money Rates' section of the Wall Street Journal. To determine the **ANNUAL PERCENTAGE RATE** that will apply to your account, we add a margin based on your credit limit, creditworthiness, and Loan-to-Value (LTV) Ratio to the value of the index.

Ask us for the current index value, margins and **ANNUAL PERCENTAGE RATES**. After you open an account, rate information will be provided on periodic statements that we send you.

**Rate Changes:** The annual percentage rate can change monthly on the first of each month. The maximum **ANNUAL PERCENTAGE RATE** that can apply is 18%. The **ANNUAL PERCENTAGE RATE** will not fall below 2.99% during the Plan. Other than the maximum and minimum rates listed in this Rate Changes provision, there is no limit on the amount by which the rate can change in any one year period.

**Maximum Rate and Payment Example:** If you had an outstanding balance of \$10,000, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of 18% would be \$100.00. This Annual Percentage Rate could be reached during the first month following an initial hold of 1 month.

**Prepayment:** Payment in full shall not terminate this agreement or cancel the security instrument securing this Plan unless you specifically request that we do so. The following applies with regard to prepayment:

**Early Termination Fee; Lien:** If you pay your line in full and close the Plan within n/a months of the date you opened the Plan, you will have to pay an Early Termination fee of \$n/a. We may take this fee from your savings or checking account or you may pay this fee in any other manner acceptable to us. The Early Termination Fee shall be secured by the Deed of Trust or Mortgage securing this Plan, and TruMark Financial Credit Union's Lien against the Property shall not be satisfied, nor the Deed of Trust or Mortgage released, until the Fee is paid in full. Additionally, the Fee will be added to the payoff amount (including the beneficiary's demand) and must be paid prior to the issuance of any reconveyance.

**Historical Example:** The following table shows how the 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 from the first Monday in June. If the first Monday is a holiday then the index values are from the first business day following that Monday.

The table assumes that no additional credit advances were taken and that only the minimum payment was made. It does not necessarily indicate how the index or your payments would change in the future.

YEAR	INDEX (%)	MARGIN (1) (Percent)	ANNUAL PERCENTAGE RATE	MONTHLY PAYMENT (Dollars)
2009	3.25	0.00	3.25 (2)	\$100.00
2010	3.25	0.00	3.25	\$91.59
2011	3.25	0.00	3.25	\$83.89
2012	3.25	0.00	3.25	\$76.84
2013	3.25	0.00	3.25	\$70.38
2014	3.25	0.00	3.25	\$64.46
2015	3.25	0.00	3.25	\$59.04
2016	3.50	0.00	3.50	\$54.08
2017	4.00	0.00	4.00	\$50.00
2018	4.75	0.00	4.75	\$50.00
2019	5.50	0.00	5.50	\$50.00
2020	3.25	0.00	3.25	\$50.00
2021	3.25	0.00	3.25	\$50.00
2022	4.00	0.00	4.00	\$50.00
2023	8.25	0.00	8.25	\$50.00

1. This is a margin we have used recently; your margin may be different and based on your credit limit, creditworthiness, and Loan-to-Value (LTV) Ratio.

2. There may be a discounted rate for a period of time within the first year.