

# HOME EQUITY LINE OF CREDIT

Fidelity Bank  
Loan Department  
100 East English  
P.O. Box 3377  
Wichita, KS 67201

## IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT

This disclosure contains important information about our Home Equity Plan (the "Plan"). You should read it carefully and keep a copy for your records.

**AVAILABILITY OF TERMS.** All of the terms of the Plan described herein 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. You could lose your home if you do not meet the obligations in your agreement with us.

**POSSIBLE ACTIONS.** Under this plan, we have the following rights:

**Termination and Acceleration.** We can terminate the Plan and require you to pay us the entire outstanding balance in one payment, and charge you certain fees, if any of the following happens:

- (a) You commit fraud or make a material misrepresentation at any time in connection with the Plan. This can include, for example, a false statement about your income, assets, liabilities, or any other aspect of your financial condition.
- (b) You do not meet the repayment terms of the Plan.
- (c) Your action or inaction adversely affects the collateral for the Plan or our rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the dwelling, failure to pay taxes, death of all persons liable on the account, transfer of title or sale of the dwelling, creation of a senior lien on the dwelling without our permission, foreclosure by the holder of another lien or the use of funds or dwelling for prohibited purposes.

**Suspension or Reduction.** In addition to any other rights we may have, we can suspend additional extensions of credit or reduce your credit limit during any period in which any of the following are in effect:

- (a) The value of your dwelling declines significantly below the dwelling's appraised value for purposes of the Plan. This includes, for example, a decline such that the initial difference between the credit limit and the available equity is reduced by fifty percent and may include a smaller decline depending on the individual circumstances.
- (b) We reasonably believe that you will be unable to fulfill your payment obligations under the Plan due to a material change in your financial circumstances.
- (c) You are in default under any material obligation of the Plan. We consider all of your obligations to be material. Categories of material obligations include, but are not limited to, the events described above under Termination and Acceleration, obligations to pay fees and charges, obligations and limitations on the receipt of credit advances, obligations concerning maintenance or use of the dwelling or proceeds, obligations to pay and perform the terms of any other deed of trust, mortgage or lease of the dwelling, obligations to notify us and to provide documents or information to us (such as updated financial information), obligations to comply with applicable laws (such as zoning restrictions).
- (d) We are precluded by government action from imposing the annual percentage rate provided for under the Plan.
- (e) 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 limit.
- (f) We have been notified by governmental authority that continued advances may constitute an unsafe and unsound business practice.
- (g) The maximum annual percentage rate under the Plan is reached.

**Change in Terms.** We may make changes to the terms of the Plan if you agree to the change in writing at that time, if the change will unequivocally benefit you throughout the remainder of the Plan, or if the change is insignificant (such as changes relating to our data processing systems).

**Fees and Charges.** In order to open and maintain an account, you must pay certain fees and charges.

**Lender Fees.** The following fees must be paid to us:

Description	Amount	Plan B
Origination Fee:	.50% of loan	At Account Opening If Required
Document Preparation Fee:	\$50.00	At Account Opening If Required
Annual Non Usage Fee:	\$100.00 MO \$50.00	To the Line of Credit if the account balance is zero (0) for 12 consecutive billing cycles. This fee will be charged once per any 12 month period.
NSF Handling Fee:	\$30.00 MO \$25.00	At the time a payment is returned to us for non-sufficient funds
Overlimit Charge:	\$25.00	At the time your Credit Line balance exceeds your credit limit

**Late Charge.** Your payment will be late if it is not received by us within **15 days after the “Payment Due Date” shown on your periodic statement.** If your payment is late we may charge you 5.000% of the unpaid amount of the payment or \$25.00, whichever is less.

**MO Late Charge.** 5% or \$15.00, whichever is greater, not to exceed \$50.00.

**Third Party Fees.** You must pay certain fees to third parties such as appraisers, credit reporting firms, and government agencies.

These third party fees generally total between \$250.00 and \$1500.00. We estimate the breakdown of these as follows:

Description	Amount	Plan B
Mortgage Tax:	KS \$0.05 per \$1,000.00 MO \$0.00 OK \$5.00 plus .0010 X Loan Amount	At Account Opening
Mortgage Recording:	KS \$123.00, OK \$31.00, MO \$51.00	At Account Opening
Title Search:	\$75.00 - \$250.00	At Account Opening If Required
Credit Report:	\$5.00 Single, \$10.00 Joint	At Account Opening
Appraisal Order Fee:	\$22.00 - \$75.00	At Account Opening If Required
Appraisal:	\$275.00 - \$600.00	At Account Opening If Required
Release Recording:	KS \$20.00, OK \$13.00, MO \$24.00	At Account Opening
Title Insurance:	\$75.00 - \$1,500.00	At Account Opening If Required
Flood Certification:	\$15.00	At Account Opening
E-file Mortgage & Release:	\$10.00	At Account Opening
Closing Fee:	\$125.00 - \$250.00	At Account Opening If Required

**PROPERTY INSURANCE.** You must carry insurance on the property that secures the Plan.

**MINIMUM PAYMENT REQUIREMENTS.** You can obtain advances of credit during the following period: 10 years (the “Draw Period”). Your First Payment Stream will equal the amount of your accrued FINANCE CHARGES or \$30.00, whichever is greater. You will make 120 of these payments. After completion of the First Payment Stream, your “Regular Payment” will be based on an amortization of your balance at the start of this payment period as shown below or \$100.00, whichever is greater. Paying only the minimum periodic payment may not repay any principal or may repay less than the outstanding balance.

**MINIMUM PAYMENT REQUIREMENTS (continued).**

Range of Balances	Number of Payments	Amortization Period
\$25,000.00 and Under	240	120 payments
\$25,000.01 - \$50,000.00	300	180 payments
\$50,000.01 and Above	360	240 payments

Your payments will be due monthly. Your “Minimum Payment” will be the Regular Payment, plus any amount past due and all other charges. An increase in the ANNUAL PERCENTAGE RATE may increase the amount of your Regular Payment.

In any event, if your Credit Line balance falls below \$30.00, you agree to pay your balance in full.

**MINIMUM PAYMENT EXAMPLE.** If you made only the minimum payment and took no other credit advances, it would take 20 years to pay off a credit advance of \$10,000.00 at an ANNUAL PERCENTAGE RATE of 5.000%. During that period, you would make 120 monthly payments ranging from \$38.36 to \$42.47, followed by 120 monthly payments of \$106.07.

**TRANSACTION REQUIREMENTS.** The following transaction limitations will apply to the use of your Credit Line:

Telephone Request, Request By Mail and In Person Request Limitations. There are no transaction limitations for requesting an advance by telephone, requesting an advance by mail or requesting an advance in person.

**TAX DEDUCTIBILITY.** You should consult a tax advisor regarding the deductibility of interest and charges for the Plan.

**VARIABLE RATE FEATURE.** The Plan has a variable rate feature. The ANNUAL PERCENTAGE RATE (corresponding to the periodic rate), and the minimum payment amount can change as a result. The ANNUAL PERCENTAGE RATE does not include costs other than interest.

**THE INDEX.** The annual percentage rate is based on the value of an index (referred to in this disclosure as the “Index”). The index is The Highest Rate on Corporate loans as Published by at least 70% of the USA’s Ten Largest Banks known as the Wall Street Journal Prime Rate. Information about the Index is available or published The Wall Street Journal. We will use the most recent Index value available to us as of the date of any annual percentage rate adjustment. If the Index is no longer available, we will choose a new Index and margin. The new Index will have an historical movement substantially similar to the original Index, and the new Index and margin will result in an annual percentage rate that is substantially similar to the rate in effect at the time the original Index becomes unavailable.

**ANNUAL PERCENTAGE RATE.** To determine the Periodic Rate that will apply to your account, we add a margin to the value of the Index, round that sum up to the nearest 0.125%, then divide the rounded value by the number of days in a year (daily). To obtain the ANNUAL PERCENTAGE RATE we multiply the Periodic Rate by the number of days in a year (daily). This result is the ANNUAL PERCENTAGE RATE. A change in the Index rate generally will result in a change in the ANNUAL PERCENTAGE RATE. The amount that your ANNUAL PERCENTAGE RATE may change also may be affected by the lifetime annual percentage rate limits, as discussed below.

Please 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 send you.

**FREQUENCY OF ANNUAL PERCENTAGE RATE ADJUSTMENTS.** Your ANNUAL PERCENTAGE RATE can change monthly. There is no limit on the amount by which the annual percentage rate can change during any one year period. However, under no circumstances will your ANNUAL PERCENTAGE RATE exceed 18.000% per annum or, go below 4.75% per annum at any time during the term of the Plan.

**MAXIMUM RATE AND PAYMENT EXAMPLE.** If you had an outstanding balance of \$10,000.00, the minimum payment at the maximum ANNUAL PERCENTAGE RATE of 18.000% would be \$152.88. This ANNUAL PERCENTAGE RATE could be reached immediately or prior to the 1st payment.

**PREPAYMENT.** You may prepay all or any amount owing under the Plan at any time without penalty.

**HISTORICAL EXAMPLE.** The example below 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 from 2004 to 2018. The index values are from the following reference period: from the 1st business day in July. While only one payment per year is shown, payments may have varied during each year. Different outstanding principal balances could result in different payment amounts. The table assumes that no additional credit advances were taken, that only the minimum payments were made, and that the rate remained constant during the year. It does not necessarily indicate how the Index of your payments would change in the future.

## INDEX TABLE

Year (from the 1st business day in July)	Index (Percent)	Margin (1) (Percent)	ANNUAL PERCENTAGE RATE	Monthly Payment (Dollars)
2004	4.000	1.500	5.750	47.92
2005	6.250	1.500	7.750	64.59
2006	8.250	1.500	9.750	81.25
2007	8.250	1.500	9.750	81.25
2008	5.000	1.500	6.500	54.17
2009	3.250	1.500	5.000 (8)	41.67
2010	3.250	1.500	5.000 (8)	41.67
2011	3.250	1.500	5.000 (8)	41.67
2012	3.250	1.500	5.000 (8)	41.67
2013	3.250	1.500	5.000 (8)	41.67
2014	3.250	1.500	5.000 (8)	41.67
2015	3.250	1.500	5.000 (8)	41.67
2016	3.50	1.500	5.000 (8)	41.67
2017	4.25	1.500	5.75	47.92
2018	5.00	1.500	6.50	55.21

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

(8) This A.P.R. reflects a 5.000 percent floor.

# HOME EQUITY LINE OF CREDIT APPLICATION

**IMPORTANT APPLICATION INFORMATION:** Federal law requires financial institutions to obtain sufficient information to verify your identity. You may be asked several questions and to provide one or more forms of identification to fulfill this requirement. In some instances we may use outside sources to confirm the information. The information you provide is protected by our privacy policy and federal law.

## TYPE OF ACCOUNT REQUESTED

Check one to indicate the type of account you are requesting. Note: Married applicants may apply for separate accounts.

- Joint Account       Individual Account - Relying solely on my income and assets  
 Individual Account - Relying on my income and assets as well as income or assets of another

## TERMS REQUESTED

Amount	Purpose <input type="checkbox"/> Home Improvement <input type="checkbox"/> Pay Debt <input type="checkbox"/> Other:
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## COLLATERAL PROPERTY

Address	Year Built	Date Purchased	Present Value	Balance Owed
Title in Name(s) of	Address of Title Holder	Name & Address of Insurance Carrier		
Mortgage Holder Name	Mortgage Holder Address	Mortgage Holder Phone No.	Mortgage Acct. No.	

## INDIVIDUAL APPLICANT INFORMATION

Name	Birth Date	Social Security No.		
Address (Street, City, Zip)	County	Drivers License No.		
Home Phone	Business Phone	No. of Dependents	Ages of Dependents	
Employer / Self Employed	Position	Years Employed	Employer's Address	
Wages, Salary, Commissions Gross / Month:                      Net / Month:		How Often Paid		
Previous Employer	Position	Years Employed	Previous Employer's Address	
Name & Address of Applicant's Nearest Relative			Relationship	
Alimony, child support, or separate maintenance income need to be revealed if you do not wish to have it considered. Alimony, child support separate maintenance received pursuant to: <input type="checkbox"/> Court Order <input type="checkbox"/> Written Agreement <input type="checkbox"/> Oral Understanding				
Other Income Source(s)			Amount / Month	
Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (includes single, divorced, and widowed)				

## JOINT APPLICANT OR OTHER PARTY INFORMATION

Provide the information in this section if joint credit, or the individual applicant is relying on the income of others as a basis for repayment, or the individual applicant lives in a community property state or is relying on the property located in a community property state as a basis for repayment of the credit requested.

Name	Birth Date	Social Security No.		
Address (Street, City, Zip)	County	Drivers License No.		
Home Phone	Business Phone	No. of Dependents	Ages of Dependents	
Employer / Self Employed	Position	Years Employed	Employer's Address	
Wages, Salary, Commissions Gross / Month:                      Net / Month:		How Often Paid		
Previous Employer	Position	Years Employed	Previous Employer's Address	
Name & Address of Applicant's Nearest Relative			Relationship	
Alimony, child support, or separate maintenance income need to be revealed if you do not wish to have it considered. Alimony, child support separate maintenance received pursuant to: <input type="checkbox"/> Court Order <input type="checkbox"/> Written Agreement <input type="checkbox"/> Oral Understanding				
Other Income Source(s)			Amount / Month	
Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (includes single, divorced, and widowed)				

## GENERAL INFORMATION

If you or a joint applicant or other party answers "yes" to any of the following questions, please explain in the spaces provided.

Are you a guarantor or co-maker of any leases, contracts, or debts?	Applicant: <input type="checkbox"/> Yes <input type="checkbox"/> No	Joint Applicant / Other Party: <input type="checkbox"/> Yes <input type="checkbox"/> No
Are there any suits or judgments pending against you? (Include Amount)	Applicant: <input type="checkbox"/> Yes <input type="checkbox"/> No	Joint Applicant / Other Party: <input type="checkbox"/> Yes <input type="checkbox"/> No
Have you been declared bankrupt in the last 10 years?	Applicant: <input type="checkbox"/> Yes <input type="checkbox"/> No	Joint Applicant / Other Party: <input type="checkbox"/> Yes <input type="checkbox"/> No

**PREVIOUS CREDIT REFERENCES**

Describe any previous debt obligations. Please mark Applicant-related information with an "A"

	Amount:	Date Paid:
	Amount:	Date Paid:

NOT FOR FNMA/FHLMC/FHAVA USE

**ASSETS AND DEBT INFORMATION**If "Joint Applicant or Other Party Information" section was completed above, this section should be completed, giving information about both the Applicant and the Joint Applicant or Other Party. **Attach additional sheet if necessary.****ASSETS**

DESCRIPTION OF CURRENT ASSETS	NAME(S) OF OWNER(S)	SUBJECT TO DEBT: YES/NO	VALUE
Checking Accounts (Institution, Acct. No.)			
Savings Accounts (Institution, Acct. No.)			
Automobiles (Make, Model, Year)			
Marketable Securities (Issuer, Type, No. of Shares)			
Life Insurance Cash Value (Issuer)			
Other Real Estate (Location when acquired)			
Other Assets (Describe)			
<b>TOTAL ASSETS</b>			

**OUTSTANDING DEBTS** (Include all charge accounts, installment contracts, credit cards, rents, mortgages, and other obligations)

CREDITOR	ACCOUNT NUMBER	NAMES IN WHICH THE ACCOUNT IS CARRIED	ORIGINAL AMOUNT	PRESENT BALANCE	MONTHLY PAYMENTS
Auto Loans					
Credit or Charge Cards					
Landlord or Mortgage Holder on other Real Estate					
Other					
<b>TOTAL DEBTS</b>					

 NOTICE - JOINT CREDIT:

We intend to apply for joint credit (initials) \_\_\_\_\_

I certify that everything I have stated in this application and on any attachments is correct. Lender may keep this application whether or not it is approved. By signing below, I authorize Lender to check my credit and employment history, to have a consumer credit report prepared on me of the purpose of evaluating this application for credit, and to answer questions others may ask Lender about my credit record with Lender. I understand that I must update this credit information at Lender's request and if my financial condition changes.

**I acknowledge receipt of the Home Equity Brochure and the Lender's Home Equity disclosure statement on today's date.**

Applicant \_\_\_\_\_ Date \_\_\_\_\_ Joint Applicant \_\_\_\_\_ Date \_\_\_\_\_