



## HOME EQUITY LINE OF CREDIT 3 YEAR-INTEREST ONLY PLAN WY - 2011

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.

**1. 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 have paid to us or anyone else in connection with your application.

**2. 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.

**3. POSSIBLE ACTIONS.** Under certain circumstances, we can:

- A. Terminate your line of credit, require you to pay us the entire outstanding balance in one payment, and charge you certain fees;
- B. Refuse to make additional extensions of credit; and
- C. Reduce your credit limit.

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:

- A. You engage in fraud or material misrepresentation in connection with the line of credit;
- B. You fail to make a payment as required by the agreement; or
- C. 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:

- A. The value of the dwelling securing the line of credit declines significantly below its appraised value for purposes of the line of credit;
- B. We reasonably believe you will not be able to meet the repayment requirements under the line of credit due to a material change in your financial circumstances;
- C. You are in default of a material obligation of the agreement;
- D. 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 percent of the credit limit on the line of credit;
- E. A regulatory agency has notified us that continued advances would constitute an unsafe and unsound practice; or
- F. The maximum annual percentage rate is reached.

**4. MINIMUM PAYMENT REQUIREMENTS.** You can obtain credit advances for 3 years. During this period, payments will be due monthly. Your minimum monthly payment will equal the following:

\* The amount of accrued finance charges on the last day of the billing cycle.

The minimum payment amount will be rounded to the nearest \$.01. The minimum monthly payments will not reduce the principal that is outstanding on your line of credit. You will then be required to pay the entire balance in a single payment.

**5. MINIMUM PAYMENT EXAMPLE.**

**3 year plan:** If you made only the minimum monthly payment and took no other credit advances, it would take 3 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 35 payments of \$41.67 with a final payment of \$10,041.67.

**6. FEES AND CHARGES.** To open and maintain a line of credit, you must pay the following fees to us:

\* **Loan Origination Fee for loans of \$25,000.00 or less:** \$100.00 (due when account is opened)

\* **Loan Origination Fee for loans over \$25,000.00:** 1.000 percent of the credit limit (due when account is opened).

You must also pay certain fees to third parties, such as appraisers, credit reporting firms, and government agencies on loans. These fees generally total \$0.00 to \$1,500.00. If you ask, we will provide you with an itemization of the fees you will have to pay to third parties.

You must carry insurance on the property that secures the line of credit.

\***Annual Fee:** \$100.00 (due annually) after the first year.

**7. MINIMUM DRAW REQUIREMENTS.** The minimum credit advance that you can receive is \$100.00.

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

**9. VARIABLE RATE FEATURES.** This line of credit has a variable rate feature and 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 rate on corporate loans posted by at least 70% of the 10 largest U.S. banks known as the Wall Street Journal U.S. Prime Rate and is published in the Wall Street Journal. To determine the annual percentage rate that will apply to your line of credit, we add a margin to the value of the index and then round to the nearest .001 percent. Ask us for the current index value, margin, and annual percentage rate. After you open a line of credit, rate information will be provided on periodic statements that we will send you.

**10. RATE CHANGES.** The annual percentage rate can change daily. There is no limit on the amount by which the rate can change in any one year period. The maximum **ANNUAL PERCENTAGE RATE** that can apply during the line of credit is 21.000 percent. **The minimum ANNUAL PERCENTAGE RATE that can apply during the line of credit is 5.000 percent.\*\*\***

**11. MAXIMUM RATE AND PAYMENT EXAMPLES.** If you had an outstanding balance of \$10,000.00 the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of 21.000 percent would be \$175.00. The maximum annual percentage rate could be reached in the 1st month (1 month) following an initial hold of 1 day.

**12. HISTORICAL EXAMPLES.** The following table 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 over the last 15 years. The index values are from the first business day of MONTH. While only one payment amount per year is shown, payments would have varied during each year. The table assumes that no additional credit advances were taken, that only the minimum payment was made, and that the rate remained constant during each year. It does not necessarily indicate how the index or your payments would change in the future.

Year	Index (%)	Margin* (%)	ANNUAL PERCENTAGE RATE (%)	Monthly Interest Payments (\$)	Other Accounts Rate Reduction**	ANNUAL PERCENTAGE RATE (%)	Other Accounts Rate Reduction Monthly Interest Payment (\$)
1997	8.500	1.750	10.250	85.42	-.50	9.750	81.25
1998	8.500	1.750	10.250	85.42	-.50	9.750	81.25
1999	8.000	1.750	9.750	81.25	-.50	9.250	77.08
2000	9.500	1.750	11.250	N/A	-.50	10.750	N/A
2001	6.750	1.750	8.500	N/A	-.50	8.000	N/A
2002	4.750	1.750	6.500	N/A	-.50	6.000	N/A
2003	4.000	1.750	5.750	N/A	-.50	5.250	N/A
2004	4.250	1.750	6.000	N/A	-.50	5.500	N/A
2005	6.250	1.750	8.000	N/A	-.50	7.500	N/A
2006	8.250	1.750	10.000	N/A	-.50	9.500	N/A
2007	8.250	1.750	10.000	N/A	-.50	9.500	N/A
2008	5.000	1.750	6.750	N/A	-.50	6.250	N/A
2009	3.250	1.750	5.000	N/A	-.50	4.500	N/A
2010	3.250	1.750	5.000	N/A	-.50	4.500	N/A
2011	3.250	1.750	5.000	N/A	-.50	4.500	N/A

\* This is a margin we have used recently; your margin may be different.

\*\* If you have other accounts with ANB Bank, you can qualify for a reduction of up to .50% to the margin plus a reduction in the minimum annual percentage to 4.500%\*\*\* Ask us which accounts can qualify you for this reduction.

**This is not a commitment to make a loan.**

You have the right to a copy of the appraisal report used in connection with your application. If you wish to receive a copy, please write to us at: ANB Bank, 3033 E. First Avenue, Denver, CO 80206 or contact your local ANB banking center. We must hear from you no later than 90 days after we notify you about the action taken on your credit application or you withdraw your application. If we receive a written request from you for the appraisal report, we will advise you in writing of the cost of the report. Upon receipt of the amount due, we will provide a copy of the report to you promptly.