

UNOFFICIAL COPY

FIRST MIDWEST BANK
NATIONAL ASSOCIATION
204 W WASHINGTON ST
WATKEGAN, IL 60095

Borrower's Name and Address

"You" means each borrower above, jointly and severally

Lender's Name and Address

"We" or "Us" means the lender named above

No. _____	Initial Advance \$ _____	Maturity Date _____
Date _____	Minimum Advance \$ 300.00	Billing Cycle: Ends _____ on the last day
Trans. Acct # _____	Minimum Balance \$ _____	of every _____ month
Line of Credit \$ _____	Draw Period _____	Payment Date _____ the 15th day
Triggering Balance \$ _____	Repayment Period _____	of every _____ month

HOME EQUITY LINE OF CREDIT - VARIABLE RATE

GENERALLY: This is an agreement about your home equity line of credit. Many of the terms we use in this agreement have special meanings. The term "loan account balance" means the sum of the unpaid principal of loans made under this plan, plus unpaid but earned finance charges, plus any credit insurance premiums that are due. "Transaction Account" means an account you carry with us. The number of this account is listed at the top of the form on the line labeled "Trans. Acct. #". "Line of Credit" means the maximum amount of principal we will ordinarily allow you to owe us under this plan at any time. "Triggering Balance" is the amount you must keep in your transaction account to prevent us from lending you money under this plan.

In addition, we will use the following terms for this home equity plan: "Initial Advance" means the amount of money we will require you to accept as an advance to open the plan. "Minimum Advance" means the smallest amount of money we will advance to you at your request. The "Minimum Balance" is the amount of principal of loans we will require you to maintain outstanding during the plan. If the principal balance outstanding falls below the minimum balance, you may have to pay a fee described below.

If any term of this agreement violates any law or for some other reason is not enforceable, that term will not be part of this agreement. This agreement is subject to the laws of the state where we are located.

TAX DEDUCTIBILITY: You should consult a tax advisor regarding the deductibility of interest and charges on the home equity plan.

REQUESTING A LOAN: You request a loan under this plan whenever you:

- write a check for at least the minimum advance listed above using one of the special checks you have for that purpose.

HOW THE LOAN IS ADVANCED: When you request a loan, we will, subject to any limitations contained in this agreement, advance exactly the amount you request, so long as the requested amount equals or exceeds the minimum advance listed above. We will make the advance by depositing the amount in your transaction account, by advancing the money directly to you, or by paying a designated third person or account, depending on how we agree to make the advance. We will record the amount as a loan in your loan account.

If your request is for less than the minimum advance, we may, at our option, grant the request. However, granting the request does not mean we will be required to grant requests for less than the minimum advance in the future. We always have the option to deny any such request.

However, we will not ordinarily grant any request for a loan which would cause the unpaid principal of your loan account balance to be greater than the Line of Credit listed above. We may, at our option, grant such a request without obligating ourselves to do so in the future.

LIMITATIONS: The following additional limitations apply:

- During the draw period, you may not request advances totaling more than \$_____ per _____.
- During the draw period, you will be limited to a total of _____ advances per _____.
- During the term of the plan, you may not request advances totaling more than _____.

The amounts you pay will first reduce the amount owed for credit insurance (if any), then will reduce the finance charges, and finally will reduce the amount of unpaid loans.

AUTOMATIC WITHDRAWAL: If checked, you authorize us to automatically withdraw your payment from your transaction account on each payment date. If your transaction account does not have enough money in it to make the minimum payment, we may, but are not required to, lend you money to make the payment. All the terms of this agreement will apply to such a loan. If your loan account balance is less than the minimum payment amount, we will withdraw only the amount necessary to reduce your loan account balance to zero.

SECURITY: To secure the payment of what you owe, we have the right of set-off. This means we can pay the amount you owe us out of money that we are required to pay you (such as money in your savings or checking accounts). However, we cannot use in this way money in your IRA or other tax-deferred retirement account. State law may further limit our right of set-off.

However, we will have no right of set-off if you can obtain credit under this plan by using a debit or a credit card.

We have also secured your obligations under this plan by taking a security interest in a separate security agreement, mortgage or other instrument filed _____.

_____ of the following property, described by item or type:

1. _____
2. _____

County Clerk's Office

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During the term of the plan, you will be limited to a total of _____

HOW FINANCE CHARGES ARE COMPUTED: Finance charges begin to accrue immediately when we make a loan to you. To figure the finance charge for a billing cycle, we apply a daily periodic rate of finance charge to the "principal balance" of your loan account each day.

To figure the "principal balance" for each day, we first take your loan record balance at the beginning of the day and subtract any unpaid finance charges and credit insurance premiums (if any) that are due. Then we subtract the portion of any payments or credits received that day which apply to the repayment of your loan. A portion of each payment you make is applied to finance charges and credit insurance premiums (if any). Then we add any new loans made that day. The final figure is the "principal balance."

The daily periodic rate of **FINANCE CHARGE** is _____% which is equal to an **ANNUAL PERCENTAGE RATE** of _____%. The annual percentage rate includes interest and not other costs.

VARIABLE RATE: The annual percentage rate may change, and will be the same rate as published in the money rates column of the Wall Street Journal. The annual percentage rate may increase if the "base rate" increases. An increase will take effect the first day of each month. An increase will result in an increase in the finance charge and it may have the effect of increasing your periodic minimum payment. The annual percentage rate will not increase more often than once a month. A decrease will have the opposite effect of an increase disclosed above.

If the base rate changes more frequently, the annual percentage rate we will always use the base rate in effect on the day we adjust the annual percentage rate to determine the new annual percentage rate. In such a case, we will ignore any changes in the base rate that occur between a regular percentage rate adjustment.

The "annual percentage rate" referred to in this section is the "flat rate" which corresponds to the periodic rate applied to the balance as described above. The corresponding **ANNUAL PERCENTAGE RATE** will never exceed the highest allowable rate for this type of agreement as determined by applicable state or federal law.

HOW YOU REPAY YOUR LOANS: On or before each payment date you agree to make a minimum payment. The minimum payment is the amount in interest charges and credit insurance premiums (if any) on the last day of the billing cycle. If you fail to make a payment, we may, but are not required to, advance money to you to make the payment. All the terms of this agreement would apply to such a loan.

You can pay off all or any part of what you owe at any time. However, so long as you owe any amount, you must continue to make the minimum payment.

The amounts you pay will first reduce the amount owed for any credit extension; then will reduce the finance charges.

FINAL PAYMENT: On the maturity date listed above, you must pay any remaining loan account balance outstanding. The minimum payment will not reduce the principal that is outstanding on your loan. You will be required to pay the entire balance in a single billon payment.

We are not obligated to advance you loan account balance at that time and we will consider your request to do so if you advance the account normally. You may have to pay some or all of the closing costs normally associated with a new loan even if you obtain financing from us.

ADDITIONAL REPAYMENT TERMS: If your loan account balance on a payment date is less than the minimum payment amount, you may pay only the loan account balance.

If you fail to make a payment, we may, but are not required to, advance money to you to make the payment. All the terms of this agreement would apply to such a loan.

You can pay off all or any part of what you owe at any time. However, so long as you owe any amount, you must continue to make the minimum payment.

The amounts you pay will first reduce the amount owed for any credit extension; then will reduce the finance charges.

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We are not obligated to advance you loan account balance at that time and we will consider your request to do so if you advance the account normally. You may have to pay some or all of the closing costs normally associated with a new loan even if you obtain financing from us.

ADDITIONAL REPAYMENT TERMS: If your loan account balance on a payment date is less than the minimum payment amount, you may pay only the loan account balance.

If checked, collateral securing other loans you have with us may also secure loans under this agreement. Filing fees \$ 32.00

If this agreement is secured by real property, we agree to pay any expenses involved in releasing the security interest.

You may buy property insurance from anyone you want who is acceptable to us. If you buy the insurance from or through us, your premium will be _____.

CREDIT INSURANCE: Credit insurance and credit disability insurance are not required to obtain credit. We will provide no coverage unless you sign and agree to pay the additional cost. The rates listed below are applied to your average daily principal balance to determine the premium you owe for one billing cycle.

RATE	TYPE
You <input type="checkbox"/> do <input type="checkbox"/> do not want	single credit life \$0.77/\$1000/mo
You <input type="checkbox"/> do <input type="checkbox"/> do not want	joint credit life \$1.285/\$1000/mo

ADDITIONAL CHARGES: You agree to pay the following additional charges:

- A late charge on any payment not paid within _____ days of the payment date of _____ of the payment or \$ _____, whichever is less.
- A fee of \$ _____ per year in order to participate in this plan. We will add this amount to your loan account balance on an annual basis.
- An additional **FINANCE CHARGE** of \$ _____ for each advance we make to you under this plan. This fee will be added to your loan account balance at the time we make the advance.

Application Fee	\$ _____
Appraisal	\$ _____
Property Survey	\$ _____
Title Insurance	\$ _____
Official Fees	\$ _____
Title Search	\$ _____
Title Insurance	\$ _____
Occupational Fees	\$ _____
Taxes	\$ _____
Termination Fee	\$ _____
Other	\$ _____

ATTORNEY'S FEES: You agree to pay all our costs including reasonable attorney's fees that we may incur in legal proceedings to collect or enforce this agreement on today's date.

NOTICE: See the reverse side for additional terms and for information about your rights in the event of a billing error.

SIGNATURES: By signing below, you agree to the terms on both sides of this agreement and you promise to pay any amounts you owe under this agreement. You also state that you received a completed copy of the agreement on today's date.

Signature _____

Signature _____

Signature _____

Signature _____

Signature _____

Signature _____

Signature _____

Signature _____

Signature _____

