

HOME EQUITY CONSUMER LOAN APPLICATION

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account.

What this means for you: When you open an account, we will ask for your name, address, date of birth, and other information that will allow us to identify you. We may also ask to see your driver's license or other identifying documents.

TO: Name/Address of Lender	What type of account are you applying for? <i>(Please check appropriate box):</i> <input type="checkbox"/> INDIVIDUAL (Own income or assets) <input type="checkbox"/> COSIGNER <input type="checkbox"/> INDIVIDUAL (Own income or assets plus income or assets from other sources) <input type="checkbox"/> JOINT <i>(please initial)</i> _____ Are you interested in Credit Life/Disability Insurance that is offered by Lender if this loan is approved? <i>(Please check appropriate box)</i> <input type="checkbox"/> YES <input type="checkbox"/> NO
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LOAN ORIGINATION COMPANY NAME:	LOAN ORIGINATION COMPANY IDENTIFIER:
LOAN ORIGINATOR NAME:	LOAN ORIGINATOR LICENSE NUMBER:

LOAN TERMS			
Loan Amount	Interest Rate	Loan Type <input type="checkbox"/> HELOC <input type="checkbox"/> Closed End <input type="checkbox"/> Fixed Rate <input type="checkbox"/> Variable Rate (type): _____ <input type="checkbox"/> Other _____	
Term	Payment	Purpose	

COLLATERAL INFORMATION			
Property Address	Year Built	Purchase Date	Present Value
Title Holder	Title Holder Address		
Insurance Carrier	Insurance Carrier Address		
Current Mortgage Holder	Current Mortgage Holder Address		Current Mortgage Holder Phone
Monthly Mortgage Payment	Home Purchase Price	Balance Owing	Mortgage Loan Account Number
Additional Collateral Description			

APPLICANT/COSIGNER INFORMATION							
Name (Last)	(First)	(MI)	(Suffix)	Taxpayer ID Number (SSN/TIN)	Date of Birth		
Street Address				Driver's License/ID Number	State	Home Phone Number	
City	State	ZIP Code	County	How Long There	No. of Dependents	Age of Dependents	
Previous Address <i>(if less than 2 years at current address)</i>							
Employer		Employer Address			Employer Phone Number		
Position		How Long	<input type="checkbox"/> Gross <input type="checkbox"/> Net <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly \$		Average Monthly Overtime Pay \$		
Previous Employer		Previous Employer Address		Position	How Long		
Nearest Relative Not Living with You					Relationship		
Relative's Address		City	State	ZIP Code	Relative's Phone Number		
Immigration Status <input type="checkbox"/> U.S. Citizen <input type="checkbox"/> Perm. Resident of U.S. <input type="checkbox"/> Other:							
Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (including single, divorced, and widowed)							
Alimony, Child Support, Separate Maintenance Payments: You are not required to disclose income from alimony, child support, or separate maintenance payments. However, if you are relying on income from alimony, child support, or separate maintenance payments as a basis for repayment of this obligation, please complete the information below.							
Payment Received Pursuant to: <input type="checkbox"/> Court Order <input type="checkbox"/> Written Agreement <input type="checkbox"/> Oral Understanding							
Alimony per Month \$		Child Support per Month \$		Separate Maintenance Payment per Month \$			

CO-APPLICANT INFORMATION							
Name (Last)	(First)	(MI)	(Suffix)	Taxpayer ID Number (SSN/TIN)	Date of Birth		
Street Address				Driver's License/ID Number	State	Home Phone Number	
City	State	ZIP Code	County	How Long There	No. of Dependents	Age of Dependents	
Previous Address <i>(if less than 2 years at current address)</i>							
Employer		Employer Address			Employer Phone Number		
Position		How Long	<input type="checkbox"/> Gross <input type="checkbox"/> Net <input type="checkbox"/> Weekly <input type="checkbox"/> Monthly \$		Average Monthly Overtime Pay \$		
Previous Employer		Previous Employer Address		Position	How Long		
Nearest Relative Not Living with You					Relationship		
Relative's Address		City	State	ZIP Code	Relative's Phone Number		
Immigration Status <input type="checkbox"/> U.S. Citizen <input type="checkbox"/> Perm. Resident of U.S. <input type="checkbox"/> Other:							
Marital Status <input type="checkbox"/> Married <input type="checkbox"/> Separated <input type="checkbox"/> Unmarried (including single, divorced, and widowed)							
Alimony, Child Support, Separate Maintenance Payments: You are not required to disclose income from alimony, child support, or separate maintenance payments. However, if you are relying on income from alimony, child support, or separate maintenance payments as a basis for repayment of this obligation, please complete the information below.							
Payment Received Pursuant to: <input type="checkbox"/> Court Order <input type="checkbox"/> Written Agreement <input type="checkbox"/> Oral Understanding							
Alimony per Month \$		Child Support per Month \$		Separate Maintenance Payment per Month \$			

ADDITIONAL INFORMATION			
Other Income: Applicant	• Amount \$	• Source	
Other Income: Co-Applicant	• Amount \$	• Source	
If you, a joint applicant, or other party answers "yes" to any of the following questions, please explain in the space 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?	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	CSI

CURRENT ASSETS

Please attach additional sheet(s) if more space is required for the Current Assets section.

DESCRIPTION OF ASSETS	OWNER NAME(S)	SUBJECT TO LIEN: YES/NO	VALUE
Total Assets from Addendum			
TOTAL ASSETS			

OUTSTANDING DEBTS

The following are all of the loans or debts you presently owe, including charge accounts, installment contracts, credit cards, rents, mortgages, alimony, child support, and separate maintenance payments you are obligated to make. Please attach additional sheet(s) if more space is required for the Outstanding Debts section.

Use the first column (Applicant Code) to indicate whether the debt is the responsibility of the Applicant (A), Co-Applicant (C), or Joint Applicants (J).

APPLICANT CODE	NAME OF CREDITOR	ACCOUNT NUMBER	ORIGINAL AMOUNT	CURRENT BALANCE	MONTHLY PAYMENTS	Check box if to be paid from proceeds
<input type="checkbox"/>						<input type="checkbox"/>
<input type="checkbox"/>						<input type="checkbox"/>
<input type="checkbox"/>						<input type="checkbox"/>
<input type="checkbox"/>						<input type="checkbox"/>
<input type="checkbox"/>						<input type="checkbox"/>
<input type="checkbox"/>						<input type="checkbox"/>
<input type="checkbox"/>						<input type="checkbox"/>
	Total Debts from Addendum					
	TOTAL DEBTS					

(If joint application, read singular pronouns in the plural.) I warrant the truth of the information contained in this application and that all statements made in this application are made for the purpose of obtaining the loan applied for. I warrant that the financial obligations I disclosed in this application and in support of this application are complete and that I have no other outstanding financial obligations of any kind, including any guarantor or cosigner liability. Lender, its agents, successors, and assigns, will rely on the information contained in this application, and I have a continuing obligation to amend and supplement the information provided in this application if any of the material facts I represented should change before closing. If I have left any spaces in this application blank, Lender, its agents, successors, and assigns, may assume the information requested is adverse. I authorize Lender, its agents, successors, assigns, and employees, to investigate and verify all information I provided to Lender, its agents, successors, and assigns. I understand that it is my sole and exclusive responsibility to determine all the tax effects of the loan and acknowledge that Lender, its agents, successors, and assigns, have not provided any tax advice to me. Lender, its agents, successors, and assigns, can give information about my loan to credit reporting agencies and others who may properly receive that information. If Lender approves this application and Lender, its agents, successors, and assigns, are required to report the amount of interest paid on the loan to the Internal Revenue Service, I understand that Lender, its agents, successors, and assigns, will report using the Social Security Number (tax identification number) shown above. I understand that if the Social Security Number is incorrect, that I may be subject to Internal Revenue Service penalties. I understand Lender, its agents, successors, and assigns, will keep this application whether or not my credit request is approved.

Certification: I certify that the information provided in this application is true and correct as of the date set forth opposite my signature on this application and acknowledge my understanding that any intentional or negligent misrepresentations of the information contained in this application may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., and liability for monetary damages to the Lender, its agents, successors, assigns, insurers, and any other person who may suffer any loss due to reliance upon any misrepresentation I made in this application or in any other manner.

Signature of Applicant or Cosigner	Date	Signature of Co-Applicant	Date
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CREDITOR USE ONLY

Interest: Fixed Simple Variable Simple If Variable Interest Rate: Floor Rate _____ % Ceiling Rate _____ %
 Interest Adjustments _____ Index _____

Payments: Monthly Quarterly Other, describe ► First Payment Due: _____

Billing: Coupon Book Billing Statement Payroll Deduction Charge Account No. DDA SAV

Insurance: Single Life Credit Joint Life Credit Disability

APPLICANT	CO-APPLICANT	TOTAL	
Base Income \$ _____	\$ _____	\$ _____	All Monthly Payments \$ _____
Other Income \$ _____	\$ _____	\$ _____	Total Obligations ÷ Income _____ %

Loan Approval (Indicate Conditions of Loan, if Any)

This application was taken by: Face-to-Face Interview Mail Telephone Internet

Date Application Received	Received By	Amount Requested
Date Application Completed	Approved By	Amount Approved

Rescindable? <input type="checkbox"/> Yes <input type="checkbox"/> No	RESPA Applicable? <input type="checkbox"/> Yes <input type="checkbox"/> No	Funding Date	Initial Advance
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- Principal Reason(s) for Adverse Action Concerning Credit**
- | | | |
|--|---|---|
| <input type="checkbox"/> No Credit File | <input type="checkbox"/> Unacceptable Type of Credit References | <input type="checkbox"/> Unable to Verify Credit References |
| <input type="checkbox"/> Insufficient Number of Credit References Provided | <input type="checkbox"/> Poor Credit Performance With Us | <input type="checkbox"/> Unable to Verify Employment |
| <input type="checkbox"/> Limited Credit Experience | <input type="checkbox"/> Temporary or Irregular Employment | <input type="checkbox"/> Unable to Verify Income |
| <input type="checkbox"/> Collection Action or Judgment | <input type="checkbox"/> Insufficient Length of Employment | <input type="checkbox"/> Unable to Verify Residence |
| <input type="checkbox"/> Garnishment or Attachment | <input type="checkbox"/> Insufficient Income for Amount of Credit Requested | <input type="checkbox"/> Value or Type of Collateral Not Sufficient |
| <input type="checkbox"/> Foreclosure or Repossession | <input type="checkbox"/> Excessive Obligations in Relation to Income | <input type="checkbox"/> Unacceptable Appraisal |
| <input type="checkbox"/> Delinquent Credit Obligations (past or present with others) | <input type="checkbox"/> Temporary Residence | <input type="checkbox"/> Unacceptable Leasehold Estate |
| <input type="checkbox"/> Bankruptcy | <input type="checkbox"/> Insufficient Length of Residence | <input type="checkbox"/> We Do Not Grant Credit to Any Applicant on the Terms and Conditions You Request. |
| <input type="checkbox"/> Number of Recent Inquiries on Credit Bureau Report | | |
| <input type="checkbox"/> Other - Specify: _____ | | |

Customer Identification Program (CIP) Record Information (Describe Additional Data Collected Pursuant to Institution's CIP)
Applicant/Cosigner:
 Applicant/Cosigner Information Collected and Verified in Accordance With CIP (initial) _____
Co-Applicant:
 Co-Applicant Information Collected and Verified in Accordance With CIP (initial) _____

CSI

**HOME EQUITY LINE OF CREDIT
EARLY DISCLOSURE**

**State Bank of Herscher
10 Tobey Drive
Herscher, Illinois 60941
5053 W RT 17 Kankakee IL 60901
(815)426-2156
www.sbherscher.com
sbh@sbherscher.com**

DISCLOSURE DATE		

BORROWER INFORMATION

In this disclosure the words "you" and "your" mean the recipient of this disclosure, and the words "we," "us" and "our" mean State Bank of Herscher, the Lender listed above. "e" means an estimate.

IMPORTANT TERMS OF OUR HOME EQUITY LINE OF CREDIT

RETENTION OF INFORMATION. This disclosure contains important information about our home equity line of credit, REAL LINE OF CREDIT ("Account"). 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 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 you paid to us or anyone else in connection with your application.

SECURITY INTEREST. We will take a security interest in your home (collateral). You could lose your home if you do not meet the obligations in your Agreement with us.

POSSIBLE ACTIONS. We can terminate your Account and require you to pay us the entire outstanding balance in one payment if: you engage in fraud or material misrepresentation in connection with the Account; or you do not meet the repayment terms; or your action or inaction adversely affects the collateral or our rights in the collateral; and/or federal law dealing with credit extended by us to you specifically requires that as a condition of your Account the credit shall become due and payable on demand.

We can refuse to make additional extensions of credit or reduce your credit limit if: the value of the dwelling securing the Account declines significantly below its appraised value for purposes of the Account; or we reasonably believe you will not be able to meet the repayment requirements due to a material change in your financial circumstances; or you are in default of a material obligation in the Agreement; or government action prevents us from imposing the Annual Percentage Rate provided for or impairs our security interest such that the value of the interest is less than 120 percent of the credit line; or a regulatory agency has notified us that continued advances would constitute an unsafe and unsound practice; and/or the maximum Annual Percentage Rate is reached.

MINIMUM PAYMENT REQUIREMENTS. You can obtain advances of credit for 59 months (the "Draw Period"). During the Draw Period, payments will be due monthly. Your minimum periodic payment will be equal to 1.000% of the outstanding principal balance plus accrued interest as of the closing date of each billing statement.

BALLOON PAYMENT. After the Draw Period ends, you will no longer be able to obtain credit advances. Paying only your minimum payment may repay less than the outstanding balance at the end of the Draw Period. You will be required to pay the entire unpaid balance that you owe and any outstanding fees or charges at the end of the Draw Period in a single balloon payment.

MINIMUM-PAYMENT EXAMPLE. If you made only the minimum monthly payments and took no other credit advances, it would take 5.08 years to pay off a credit advance of \$10,000.00 at an ANNUAL PERCENTAGE RATE of 4.750%. During the Draw Period, you would make 60 monthly payments varying between \$139.58 and \$77.15. This would be followed by one final payment of \$5,493.22.

FEES AND CHARGES. To open and maintain your Account, you must carry insurance on the property securing your Account and pay us the following fees:

Annual Maintenance Fee	\$25.00	***
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*** Chargeable as a credit advance to your Account

You must also pay certain fees to third parties. These fees generally total between \$500.00 and \$1,000.00. If you ask, we will give you an itemization of the fees that you will have to pay to third parties.

If you tell us you have decided not to enter into the Account within three business days of receiving this Disclosure and the Consumer Financial Protection Bureau brochure "What You Should Know About Home Equity Lines of Credit" in person, or within six business days after the day we mail them to you, as the case might be, any fees or charges you might have already paid will be refunded.

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

Initials

MINIMUM TRANSACTION REQUIREMENTS. Credit advances must be in increments of \$500.00. *Draws for less than \$500.00 will be honored and subject to a \$10.00 service charge.*

VARIABLE RATE FEATURE. The Account has a variable rate feature. The Annual Percentage Rate (corresponding to the periodic rate) and the minimum payment can change as a result. This 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 Wall Street Journal published Prime Rate ("Index") (if published in a range, the highest number in the range will be used) and is published in the Wall Street Journal. To determine the Annual Percentage Rate that will apply to your Account, we add a margin to the value of the index. Ask us for the current index value, margin and Annual Percentage Rate. After you open an Account, rate information will be provided on periodic statements that we furnish to you.

RATE CHANGES. The first Annual Percentage Rate change for this Account does not occur with the same frequency as later changes. The first Annual Percentage Rate change for this Account will occur July 1, 2017. Thereafter, the Annual Percentage Rate can change every six months. The **ANNUAL PERCENTAGE RATE** cannot increase by more than 5.000 percentage points above the initial rate. Apart from this rate cap, there is no limit on the amount by which the rate can change in any one-year period, except that under no circumstances will the rate ever be less than 5.000% per annum. You should inquire about the rate limitations that are currently available.

MAXIMUM-RATE AND PAYMENT EXAMPLE. If the **ANNUAL PERCENTAGE RATE** equaled the 9.750% maximum and you had an outstanding balance of \$10,000.00, your minimum payment would be \$181.25. The maximum Annual Percentage Rate could be reached the first time your Annual Percentage Rate changes, unless your initial rate is equal to the maximum, in which case it would be reached immediately.

HISTORICAL EXAMPLE. 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 past 15 years. The index values are from the rate in effect as of the last business day of July of each year. While only one payment amount per year is shown, payments would have varied during each year of the Draw Period. The table assumes that no additional credit advances were taken, that only the minimum payments were made, 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	Minimum Periodic Payment
2002	4.750%	0.500%	5.250%	\$143.75
2004	4.250%	0.500%	5.000% ***	\$125.57
2005	6.250%	0.500%	6.750%	\$122.76
2006	8.250%	0.500%	8.750%	\$120.42
2007	8.250%	0.500%	8.750%	\$106.74 ^{1/}
2008	5.000%	0.500%	5.500%	\$0.00
2009	3.250%	0.500%	5.000% ***	\$0.00
2010	3.250%	0.500%	5.000% ***	\$0.00
2011	3.250%	0.500%	5.000% ***	\$0.00
2012	3.250%	0.500%	5.000% ***	\$0.00
2013	3.250%	0.500%	5.000% ***	\$0.00
2014	3.250%	0.500%	5.000% ***	\$0.00
2015	3.250%	0.500%	5.000% ***	\$0.00
2016	3.500%	0.500%	5.000% ***	\$0.00
2017	4.250%	0.500%	5.000% ***	\$0.00

* This is a margin we have used recently.

*** This rate reflects the lifetime floor.

^{1/} Draw period ends on the 59th month.

ADDITIONAL PROVISIONS. Rate Change Limitations: The annual Percentage Rate will not increase or decrease by more than one and no/100 percent (1.0%) every 6 months. The Annual Percentage Rate can only change on January 1st and July 1st of each year.

ACKNOWLEDGMENT. The undersigned hereby acknowledge(s) receipt of a copy of this Disclosure and a copy of the Consumer Financial Protection Bureau brochure "What You Should Know About Home Equity Lines of Credit" on the date indicated below.

Initials