

## APPLICATION DISCLOSURE

Application No.: \_\_\_\_\_

Borrower: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Lender: **TCF National Bank**  
**2508 South Louise Avenue**  
**Sioux Falls, SD 57106**

### IMPORTANT TERMS of our COMMANDCREDIT PLUS® HOME EQUITY LINE OF CREDIT

This disclosure contains important information about our home equity line of credit. You should read it carefully and keep a copy for your records. In this disclosure, "you" and "your" refer to you, the applicant, and all other persons applying for the line of credit agreement as co-applicants. "We," "us," "our," and "TCF" refer to TCF National Bank.

**Availability of Terms.** All of the terms described below are subject to change. If these terms change (other than the annual percentage rate due to changes in the index) 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.

**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.** We can terminate your account, require you to pay us the entire outstanding balance in one payment, and charge you certain fees if:

- You engage in fraud or material misrepresentation in connection with the line.
- You do not meet the repayment terms.
- 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:

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

The initial agreement permits us to make certain changes to the terms of the agreement at specified times or upon the occurrence of specified events.

**The Account, Advances, Draw Period and Repayment Period.** You can obtain advances of credit for approximately 10 years from the date of the agreement (the "draw period"). After the draw period ends you will no longer be able to obtain advances and must repay the balance over 20 years (the "repayment period").

**Minimum Payment Requirements: Draw Period.** During the draw period, payments will be due monthly. Your minimum monthly payment will equal the greater of \$50 or the interest that has accrued on the outstanding balance during the preceding billing cycle. If the account balance is less than the minimum monthly payment, as calculated above, then your monthly payment will equal your account balance. Your minimum payments during the draw period may not reduce the principal that is outstanding on your line.

**Minimum Payment Requirements: Repayment Period.** During the repayment period, payments will be due monthly. Your minimum monthly payment will be the greater of (i) the monthly amount that would be large enough to repay the principal balance plus interest in full by the final payment due date; or (ii) \$100. However, your minimum payment will never exceed your account balance.

**Time to Repay Example.** If the ANNUAL PERCENTAGE RATE was 6.74%, and you made only the minimum monthly payments during the repayment period, it would take 22 years and 4 months to pay off a credit advance of \$10,000. During that period, you would make 120 monthly payments of \$57.24 followed by 147 payments of \$100 and one final payment of \$24.83.

## Maximum Rate and Payment Examples

If you had an outstanding balance of \$10,000 during the draw period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.00%** would be \$152.88. This annual percentage rate could be reached the day you close your loan.

If you had an outstanding balance of \$10,000 during the repayment period, the minimum monthly payment at the maximum **ANNUAL PERCENTAGE RATE** of **18.00%** would be \$154.33. This annual percentage rate could be reached the day you close your loan.

## Fees and Charges

**Fees to Us.** To open and maintain a line of credit, you must pay us the following fees:

|                             |       |                                                                   |
|-----------------------------|-------|-------------------------------------------------------------------|
| Annual Maintenance Fee      | \$ 75 | (due each full or partial 12-month period during the Draw Period) |
| Our Loan Origination Charge | \$295 |                                                                   |

**Third Party Fees.** You also must pay certain fees to third parties (for example, appraisers, county recorders, or title companies) to open the line of credit. These fees generally total between \$171 and \$3439. You may be required to pay mortgage taxes to recorders or other state and municipal governments ranging from \$12 to \$1300. New York residents outside of the five boroughs will be charged a recording tax ranging from 0.75% to 1.30% of the maximum credit line amount. New York City residents within the five boroughs will be charged a mortgage recording tax ranging from 2.05% to 2.175% of the maximum credit line amount. If you ask, we will give you an itemization of the fees you will have to pay third parties.

In addition, you must carry insurance on the property that secures this line of credit.

**Minimum Draw and Balance Requirements.** There is no minimum credit advance requirement. You do not have to maintain any minimum outstanding balance.

**Maximum Number and Dollar Amount of Transaction Limitations.** Transactions with your CommandLine® Card are subject to the following daily limits: (1) a maximum of 10 transactions per day; (2) a maximum of \$10,000 or your available credit limit, whichever is less; and (3) a maximum of \$500 or your available credit limit, whichever is less, at automated teller machines.

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

**Other Products.** If you ask, we will provide you with information on our other available home equity lines.

**Variable-Rate Information.** The line of credit has a variable-rate feature, and the annual percentage rate (corresponding to the periodic rate) and the minimum payment can change as a result.

The annual percentage rate includes only interest and no other costs. The annual percentage rate is based on the value of an index. The index is the highest U.S. prime rate published during each billing cycle in The Wall Street Journal under "Money Rates." To determine the annual percentage rate that will apply to your line of credit, we add or subtract a margin to or from the value of the index. Ask us for the current index value, margin and annual percentage rate. After you open a credit line, we will provide rate information on your periodic statements.

**Rate Changes, Maximum and Minimum Rates.** The annual percentage rate can change as of the first day of each billing cycle, which means that the rate can change approximately once each month depending on the highest index value in the billing cycle. The maximum **ANNUAL PERCENTAGE RATE** (the "cap") that can apply is 18.00%. The minimum **ANNUAL PERCENTAGE RATE** (the "floor") that can apply is 0.51 percentage points below your initial interest rate, or 4.99%, whichever is greater, unless your initial interest rate is less than 4.99%; then your minimum interest rate will be equal to your initial interest rate. Except for the cap and the floor, there is no limit on the amount by which the rate can change during any period.

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**Historical Examples.** Historical Examples: The table below shows how the annual percentage rate and minimum monthly payments for a since \$10,000 credit advance would have changed based on changes in the index over the past 15 years. The index values are the highest for the month of August of each year. 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 payments were made each month, 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 (a) (%) | ANNUAL PERCENTAGE RATE | Minimum Monthly Payment (b) (\$) |
|--------------|-----------|----------------|------------------------|----------------------------------|
| Draw Period: |           |                |                        |                                  |
| 2004         | 4.25      | 1.74           | 5.99                   | 50.73 (d)                        |
| 2005         | 6.25      | 1.74           | 7.99                   | 67.86                            |
| 2006         | 8.25      | 1.74           | 9.99                   | 84.85                            |
| 2007         | 8.25      | 1.74           | 9.99                   | 84.85                            |
| 2008         | 5.00      | 1.74           | 6.74                   | 57.09 (d)                        |
| 2009         | 3.25      | 1.74           | 5.48 (c)               | 50.00 (e)                        |
| 2010         | 3.25      | 1.74           | 5.48 (c)               | 50.00 (e)                        |
| 2011         | 3.25      | 1.74           | 5.48 (c)               | 50.00 (e)                        |
| 2012         | 3.25      | 1.74           | 5.48 (c)               | 50.00 (e)                        |
| 2013         | 3.25      | 1.74           | 5.48 (c)               | 50.00 (e)                        |

Repayment Period:

|      |      |      |          |            |
|------|------|------|----------|------------|
| 2014 | 3.25 | 1.74 | 5.48 (c) | 100.00 (e) |
| 2015 | 3.25 | 1.74 | 5.48 (c) | 100.00 (e) |
| 2016 | 3.50 | 1.74 | 5.48 (c) | 100.00 (e) |
| 2017 | 4.25 | 1.74 | 5.99     | 100.00 (e) |
| 2018 | 5.00 | 1.74 | 6.74     | 100.00 (e) |

- This is a margin we have used recently.
- Minimum payments. These payment disclosures are based on a 31-day month.
- This rate reflects the minimum interest rate which is 0.51 percentage points (0.51%) below your initial interest rate, or 4.99 percentage points (4.99%), whichever is greater, unless your initial interest rate is less than 4.99 percentage points (4.99%); then your minimum interest rate will be equal to your initial interest rate. Your minimum interest rate may be different depending on your initial interest rate.
- This payment is based on a 366-day year.
- This payment is based on the minimum monthly payment during the repayment period.

## ADDITIONAL DISCLOSURES

**Insurance and Appraisal:** We require hazard insurance on the property that secures your line of credit. You may purchase hazard insurance from any company you want that is authorized to do business in the state where the property is located and is otherwise reasonably acceptable to us. You are not required to obtain hazard insurance from or through us or anyone affiliated with us.

We may require title insurance, up to the amount of your credit limit, covering us against defects in title to the property. You may choose the title insurance company we use as long as it is authorized to do business in the state where the property is located and is otherwise reasonably acceptable to us. We will select the title insurance company if you do not. You are not required to obtain title insurance from or through us or anyone affiliated with us.

We may require an independent appraisal of the property's value. We will select an appraiser from the list of approved appraisers that we maintain pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989. You are not required to obtain an appraisal from us or anyone affiliated with us.

